



# CORPORATE LEADERS GATHERED IN PHOENIX TO DISCUSS WATER CHALLENGES & OPPORTUNITIES

The 2016 Business of Water Summit held in Phoenix March 30-31, 2016 was an opportunity to share innovations and best practices on water conservation, sustainability and corporate water stewardship—charting a course to balance water demands for industry, cities, agriculture and recreation in the West. The summit was attended by over 150 individuals, with 35 companies represented as speakers and 19 sponsoring organizations. The conversations were complex and multi-layered, just like the issue of water in the West. Speakers took on issues of water financing, water banking, engaging customers and employees in water savings, innovations to promote saving water and much more.



PHOTOS (clockwise from top left):

A: Corporate leaders meet at the 2016 Business of Water Summit; Photo courtesy of Molly Mugglestone

B: Senator Flake speaks at the 2016 Business of Water Summit; Photo courtesy of Molly Mugglestone

C: U.S. Deputy Secretary of the Interior speaks at the 2016 Business of Water Summit; Photo courtesy of Molly Mugglestone

D: Brine concentrator at the Intel/City of Chandler Water Treatment Facility; Photo courtesy of Intel Corporation/City of Chandler, AZ

E: Photo courtesy of Central Arizona Project

## WATER IN THE WEST: CHALLENGES TO WATER MANAGEMENT

The West is reeling from drought and low reservoir levels. Demand from the Colorado River exceeds supply and regions dependent on the river may face allocation cuts in coming years.

“Water challenges in the West include population growth, aging infrastructure and climate change plus there are still unmet water demands. Recently, the Bureau of Reclamation released its latest Secure Water Act Report and the report confirmed temperatures will rise 5-7 degrees in the West. Lakes Mead and Powell have increased odds for shortages as soon as 2017.”

**Michael Connor,**  
U.S. Deputy Secretary of the Interior

“We are overusing the Colorado River system by 1-2 million acre feet per year. We are not putting any water back into our savings and we don't know if or when we might. We need flexibility to increase certainty – to more of a market based flexible management system. If you are looking for certainty in business you want redundancy, predictability. Redundancy is key to flexibility and flexibility is key to certainty.”

**Eric Kuhn, Manager of the Colorado River District**



## SOLUTIONS: WHAT'S WORKING?

Despite inherent challenges in the way that water is allocated and used in the West and Colorado River Basin, there is also a history of adaptive management and collaboration to address these issues. As population increased and Western cities became more urban, we have seen infrastructure development, increasing trends in recreational use of water resources, and have tried to balance the needs of development, agriculture and nature. Cooperation has often prevailed over litigation, and we see an increasing role for the business community to help broker deals, make its voice heard, and provide innovative solutions across state lines.

Examples of successful practices, programs and approaches implemented by various stakeholders include:



▶ **Miller Coors** has conducted water footprint assessments throughout the company to better understand their water use. The company has set an efficiency goal of 3:1 (gallons of water to make 1 gallon of beer). The industry average is 7:1. They have committed to capital investments in technology as well as encouraging behavioral changes to achieve their goals. The footprint has also demonstrated that they need to think beyond their factory walls- only 10% of their water use is within their facilities, with the remaining 90% upstream in their agricultural supply chain. Therefore, MillerCoors has partnered with 900 farmers across Idaho, Wyoming, and Montana to fund farm level efficiency through supporting growers to implement soil moisture sensors and remote technology applications. Their success working with the growers was built on the trust they had developed through personal connections with multiple generations of farming families, and approaching the growers to first understand their values and processes. MillerCoors strongly believes that personal connection and local relevance to it's communities drives sustainability outside their factory walls.



▶ **Qualcomm**, a technology company headquartered in San Diego, CA, has made sustainable and transparent management of climate and water impacts across its value chain a key component of its 2030 Sustainability Vision. As a member of the Electronic Industry Citizenship

Coalition (EICC), Qualcomm has adopted the EICC Code of Conduct, which includes water conservation elements, as its supplier code of conduct. Qualcomm also requests greenhouse gas emissions and water usage data from its major suppliers. In addition, Qualcomm has signed public declarations with other companies focused on both smart climate and smart water policy and recently joined the Ceres Connect the Drops initiative.

Last fall, Qualcomm launched a water-focused employee engagement campaign. Through their #WhyWaitToSaveWater challenge, employees pledged to commit to one or more of 10 water saving actions for 30 days. Over 2,000 employees around the world took the pledge, and if all commitments were achieved, their collective savings would total approximately 18.3 million gallons of water (including "invisible" water) over the course of the month. Qualcomm also donated \$10 to support the World Wildlife Fund's fresh water initiatives in honor of each employee who participated, for a total charitable donation of over \$20,000.



▶ **Intel Corporation**, headquartered in Santa Clara, CA uses about 9 billion gallons of water a year to manufacture microchips and run its global operations. Because several of their manufacturing plants are located in arid areas, water stewardship and reuse is a critical part of their business strategy. The company has invested over \$220 million in water conservation since 1998 and has saved over 50 billion gallons of water which is enough for 490,000 homes for one year. One example of this investment is their innovative partnership with the City of Chandler, AZ. A portion of Intel's wastewater is sent to a reverse osmosis facility which cleans the water to drinking water standards and recharges the local aquifer, banking away water for future use. In turn, grey water from city residents and businesses is sent to Intel for use at their plant. Through these and other measures, Intel has reduced its fresh water use by 50% at the Chandler, AZ location. This allows Intel to continue to grow their business in a high drought prone area while using less water. This partnership is mutually beneficial to both Intel and the City of Chandler.

>>See [Todd's lunch keynote here](#)

## FEDERAL PROGRAMS DESIGNED FOR ENHANCED CONSERVATION AND EFFICIENCY

- ▶ President Obama in March released a Presidential Memorandum to direct more collaboration among Federal agencies on water solutions, specifically the Department of Interior and Natural Resources Conservation Service (NRCS). The official announcement of this collaboration was announced in Colorado on June 23, 2016 and now collaborative projects will be identified on the ground to promote more efficiency and water savings in the Colorado River Basin.
- ▶ NRCS is matching WaterSMART funding to help irrigation districts and farmers to maximize the amount of crops that can be produced per drop of water used. Low tech solutions at the farm level can be scaled up to system wide conservation and combined with big data energy and water optimization to provide improved control of irrigation systems. “More crop per drop!”

## POLICY CHALLENGES AND PRIORITIES

Summit participants and special guests discussed obstacles and opportunities in key water management and policy arenas and brainstormed ways that businesses can engage in decisions to enhance and sustain healthy rivers while supporting robust economies. Attendees provided feedback on a draft set of policy priorities and principles that businesses and business networks can adopt to advance smart water policy. Priorities that emerged from the summit included:

- ▶ **Incentivizing and removing barriers to encourage more water reuse and recycling.**
- ▶ **Encouraging more conservation and efficiency.**
- ▶ **Advancing water markets, banking and trading.**
- ▶ **Collecting, analyzing and better communicating water data and information.**

PHOTOS (left to right): Kerrick James | Central Arizona Project



## REGIONAL WATER PROVIDERS: EXAMPLES OF SUCCESS

“We have been able to use less water through conservation. Many regions and states use the same amount of water now as they did in the 1950’s due to conservation and efficiency efforts, all while growing GDP and populations. In 2014 for example, Arizona used less water than in 1957.”

[Arizona Department of Water Resources](#)

“Southern Nevada Water Authority offers a turf-grass conversation and rebate program that results in permanent water reductions of about 9 billions of gallons per year. The agency also manages a Water Smart Landscaper program to educate the green industry on water conservation, as well as a home certification program aimed at encouraging the construction of high-efficiency homes. Regionally, SNWA participates in water banking programs and in BOR’s conservation-based WaterSMART grant program.”

[Southern Nevada Water Authority](#)

“Metropolitan Water District of Southern California (MWD) funds water efficiency in irrigation districts so the agriculture industry can grow the same crops with less water and MWD benefits from the water the growers save. These programs are not “one size fits all”. In the Palo Verde Irrigation District, MWD worked to understand the needs of the farming community and to develop trust with them to create a program that was flexible enough and met the needs of the community so an agreement could be reached. The 35 year deal is based on crop rotation and fallowing of land but protects the community from permanent fallowing or loss of water rights. This has turned out to be a win-win situation for farmers, the irrigation district and MWD’s urban customers.”

[Metropolitan Water District of Southern California](#)

Discussion also included speakers' perspectives on how business can engage in conversations with decision makers:

“ There needs to be more political will to talk about water financing, infrastructure and quality. Because water moves across local, state and regional boundaries, it is difficult for business to work in the various regulatory environments, but there is a role for them to push for more consistent policy across jurisdictions. Business needs certainty and transparency around water supply from elected officials, and there needs to be the political will to address the challenges openly and collaboratively.”

Nicole Collier, Nestle

“ There is more potential for water reuse but it's not happening at the level it should because it is still less expensive to take water from ground or import it than it is to buy and implement reuse technologies. This is a case where there is a role for government to step in to encourage communities to reuse.”

Jon Freedman, GE Water and Power

“ Government goal setting around conservation can work— this has been proven in California where Governor Brown's 25% reduction goal has been achieved. Is it possible to create a multi-state/regional conservation goal?”

Kevin Tilden, California American Water

## CONCLUSION

The Business of Water Summit provided a space for in-depth conversations, and participants agreed on the need for a collective business voice for corporate water stewardship. Some of the next steps we can take on as a network and as individual businesses include:

- ▶ Work together to gather good water data and information and provide broad water related education that can support more specific policy efforts.
- ▶ Better leverage information and assets already in the business network.
- ▶ Use the business voice to educate, engage, and inspire behavioral changes with consumers by tailoring messages, incorporating storytelling, humor, and incentives into messages, and using multiple communication channels. Business should understand the power of leveraging their brand to impact water conservation and change behavior.
- ▶ Speak with one voice from the business community.

The business networks Protect the Flows and Change the Course have merged to form an integrated Business for Water Stewardship platform under the leadership of the Bonneville Environmental Foundation (BEF). Rivers, communities, and businesses face ever-mounting pressures from climate change, prolonged drought, population growth, and over allocation and inefficient use of water resources. Both Protect the Flows and Change the Course have been working with the business and corporate community during the past 5 years to build a water-secure future. The Business for Water Stewardship (BWS) platform aligns the activities of both networks to more effectively leverage business participation and influence to address key water challenges affecting economies, communities and rivers across North America. Our combined efforts ensure that companies benefit from our expansive set of solutions in the most efficient and strategic way.

For more information please visit [www.businessforwater.org](http://www.businessforwater.org)

PHOTOS (left to right): iStockPhoto.com | Kerrick James | Arizona Raft Adventures

