

Agenda 22nd November 2022

Update on activities

We are broadening the initiative leadership and perspectives to include: Research, Industry and Financial impacts of emissions associated with leakage and leakage reduction. It is important that we start with a high-level accounting methodology and position that can be referenced and refined over time. As an example, initially focus solely on carbon emission reduction associated with reducing leakage.

Research Discussion - Andy Blackhall – WRc

The water industry is a contributor to the overall emissions discussion. It is mostly associated with wastewater emissions; however, treatment and delivery are also significant sources of emissions. We want to avoid too much activity associated with repairing leakage as that can lead to the use of more equipment and resources which have their own associated emissions. Managing the leakage process as the result of unproductive work is also an important effort.

WRc is looking at the idea of an ethical level of leakage. It is similar to the balance of the cost of production and cost of repair. There is also the discussion of whether there is an ethical level where it is better to leave leaks where the carbon emissions with repair are greater.

Discussion:

Leakage is an indicator of a utility's overall asset management program. Could you use leakage as an indicator for carbon footprint? Would a utility with low levels of leakage also be more likely to have lower levels of carbon emissions?

Industry Perspective –Berry Drisjen and Mike Wrigglesworth – Xylem

Xylem through its equipment, products and services has been making efforts to reduce the carbon impact associated with water utilities and leakage reduction is among those efforts. Xylem also seeks supplier sustainability for their products used to reduce leakage.

Discussion:

We should prioritize finding case studies and early movers who have attempted to address this in the past. As these utilities tell their story and present lessons learned, more utilities will come on board and be compelled to enact leakage reduction for carbon neutrality gains.

Financial Perspective – Steve Cavanaugh – Cavanaugh

On the renewable natural gas side in the states, Carbon reduction efforts have been significantly influenced by investment from private institutions. There doesn't appear to be movement in the financial markets yet for non-revenue water and leakage reduction, although there is significant interest and discussion. Common language, tracking and awareness is expected to lead to a rush of funding from the capital markets who have specific Carbon neutrality and ESG goals.

Discussion:

This group needs to raise the profile that there is a way to account for and reduce leakage for carbon purposes in a meaningful way. This can drive the industry to more sustainable solutions like asset renewal and pressure management.

There are two declarations signed by banks that allow for certain utilities in the Caribbean and South America to use climate funds to reduce leakage.

There are barriers to entry for water leakage reduction for carbon emissions purposes but this group can possibly lower those barriers by defining the real impact leakage reduction can have. Minimum Carbon Network is a term used in the UK used to discuss the reduction to the minimum amount of pressure needed to operate a utility.

Water Balance Modifications (Benefits/Challenges)

Concept Review:

Keep the initial position and statement strictly centered on leakage – (Supply side conservation). This will enable a position to be documented (i.e.: version 1.0) so it can be referenced and recommended for next iterations and enhancements (demand side, etc.). The industry needs something defensible and tangible to point to that links Leakage Reduction to Carbon Emissions Reduction. This concept is intended to engage the financial resources (international donors, multi-national companies reaching carbon neutrality goals, Private Equity Investment groups with ESG goals) to link funding to not simply leakage reduction, but also GHG reduction goals.

Discussion:

We need to show incremental reduction in that top analysis.

We have standard volumes of carbon per m³. We can now challenge that with further research to see how accurate it really is and refine as more data comes available.

Summary and Next Meeting Speakers/Topics

1. Presentation on Task Force on Climate Related Financial Disclosures (TCFD) for next meeting – Andy Blackhall to connect with Rob for a potential presentation
2. Roland Liemberger is working on a version of the water balance (and associated free software/app) that will include calculating component carbon. – Stuart Hamilton and Steve Cavanaugh to reach out to Roland for a potential peek/presentation and review at next meeting.
3. Representative from the US Cap and Trade market.- Andrew McCarthy to research and provide speaker ideas
4. Speaker on behalf of a carbon manager from a utility – this was a general suggestion, all participants should think about potential utility representatives who may be able to better provide the Industry’s perspective
5. Begin drafting an initial working statement for review and discussion – Steve Cavanaugh, Andy Blackhall, and Berry Drijzen

Next meeting – December 20, 2022 – 10am EST

Attendance:

Alexis de Kerchove
Amit Sharma
Andrew Chastain-Howley
Andrew McCarthy
Andy Blackhall
Arnaud Brunelle
Berry Drijzen
Dewi Rogers
Drew Blackwell
Jo Parker
Justine Leadbetter
Korshiwor Peace Amoatey
Mary Ann Dickinson
Mehdi Ahmadi
Mike Wrigglesworth
Mordecai Feldman
Parthiv Soni
Reinhard Strum
Ron Burke
Sharon Yaniv
Steve Cavanaugh
Steve Tooms
Stuart Hamilton
Stuart Trow

