

Article | October 2, 2023

# Navigating Troubled Waters: 5 Challenges To Water Utility Profitability

Source: [Aquana](#)

Water utilities are the unsung heroes of modern society, providing us with the lifeline of clean and safe water. However, they face a barrage of challenges that threaten their efficiency, profitability, and, by extension, the sustainability of this vital service. Let's dive into five of these issues, exploring how they impact water utilities.

## Aging Infrastructure

Imagine driving a car from the '70s every day, dealing with its constant breakdowns due to overheating or alternator malfunctions. This is the reality of many water utilities. Their infrastructure—pipes, treatment plants, and distribution systems—often dates back decades. Repairing, upgrading, or replacing this aging infrastructure is costly and disruptive, putting a dent in profitability. Fortunately, according to The American Water Works Association (AWWA)'s [2023 State of the Industry](#) report 68% of utility respondents indicated they are implementing a lead line replacement program.



## Billing Accuracy

Billing accuracy is essential to water utility revenue. Inaccurate billing due to manual errors or outdated systems can lead to financial losses. Customers paying less than they owe due to billing errors can put a strain on profitability. Therefore, modernizing billing systems and practices is crucial. One outlier is the [City of Baltimore](#) which took an important step to upgrade technology that has been in place since the 1970s.

## Water Scarcity and Conservation

Water scarcity is no longer a distant concern but a pressing reality for many regions. Utilities grapple with the delicate balancing act of managing their resources efficiently while encouraging water conservation. Identifying leaks, monitoring usage, and promoting responsible consumption are all part of this effort. As climate impacts intensify, all countries will face increasingly widespread water stress which the United States attempts to combat with [\\$4.9 Billion in Commitments to Global Water Security](#).

## Workforce Woes

Water utilities are facing a talent crisis. Experienced professionals are retiring, leaving a void that's not easily filled. Attracting new talent to the water industry can be challenging, as it competes with other sectors for skilled workers. The loss of institutional knowledge and the difficulty of finding replacements impact efficiency and, ultimately, profitability. [A recent statistic](#) estimated that by 2030, approximately 25% of the U.S. workforce will be 55 or older, posing new challenges to public utilities due to the loss of valuable experience, knowledge, and expertise.

## Rising Customer Service Expectations

Today's customers expect top-notch service, and that includes their water utility. They want real-time information, quick responses to inquiries, and seamless service delivery. Meeting these heightened expectations can be a daunting task, especially for utilities with limited resources.

## Aquana's Smart Water Solutions Can Help

[Aquana's](#) user-friendly interfaces and data-driven tools make it easier for utility personnel to manage water systems, remotely shutting the water off and on from the comfort of the office. This not only improves operational efficiency but also attracts tech-savvy professionals to the water industry. Aquana offers a comprehensive set of [smart water solutions](#) to tackle these challenges.

## A Look Ahead

These challenges are daunting, but they are not insurmountable. With the right tools and strategies, including embracing technology and modernizing practices, water utilities can navigate these issues and secure their profitability while continuing to provide us all with the essential resource we often take for granted—clean and safe water.