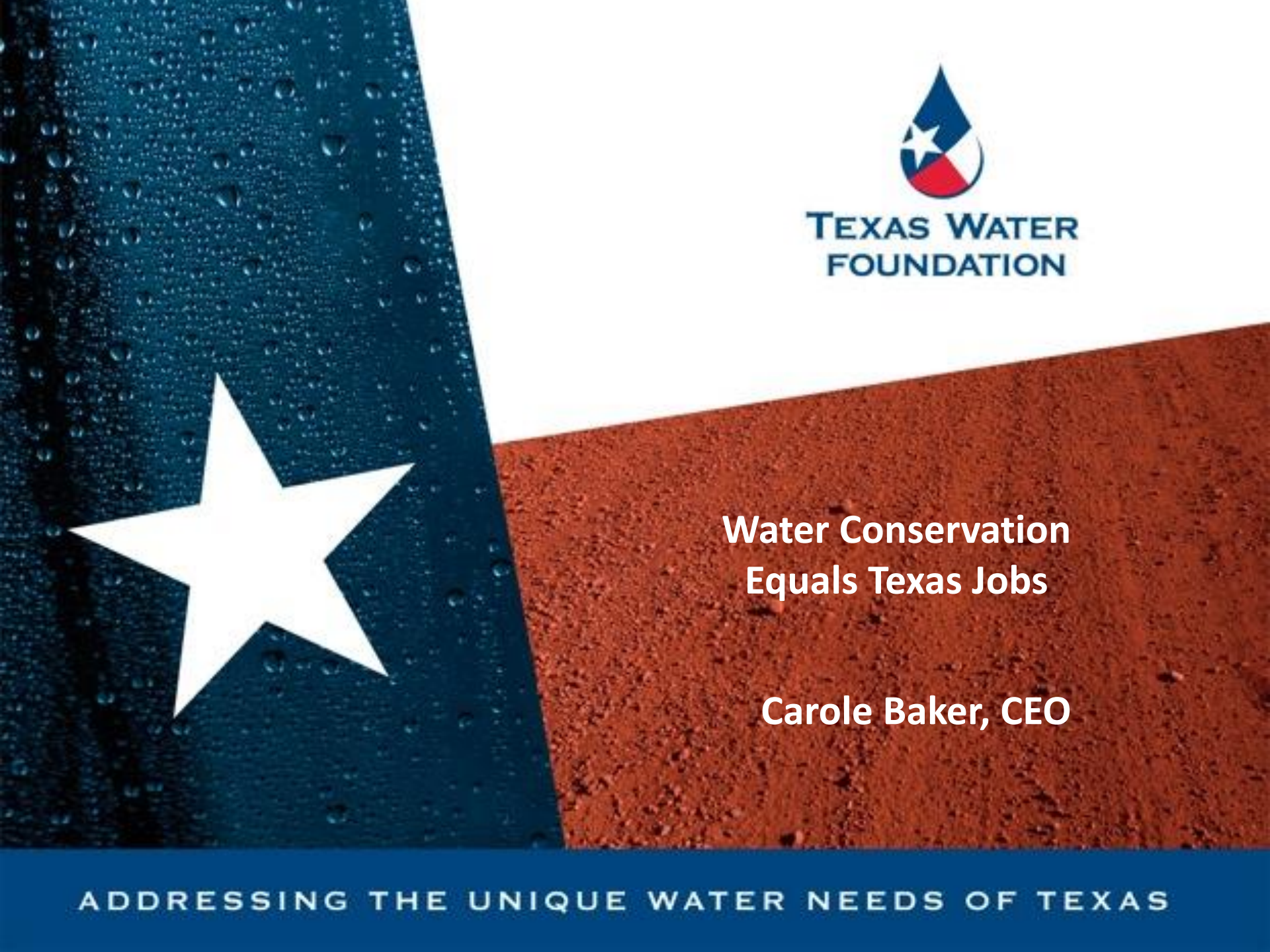
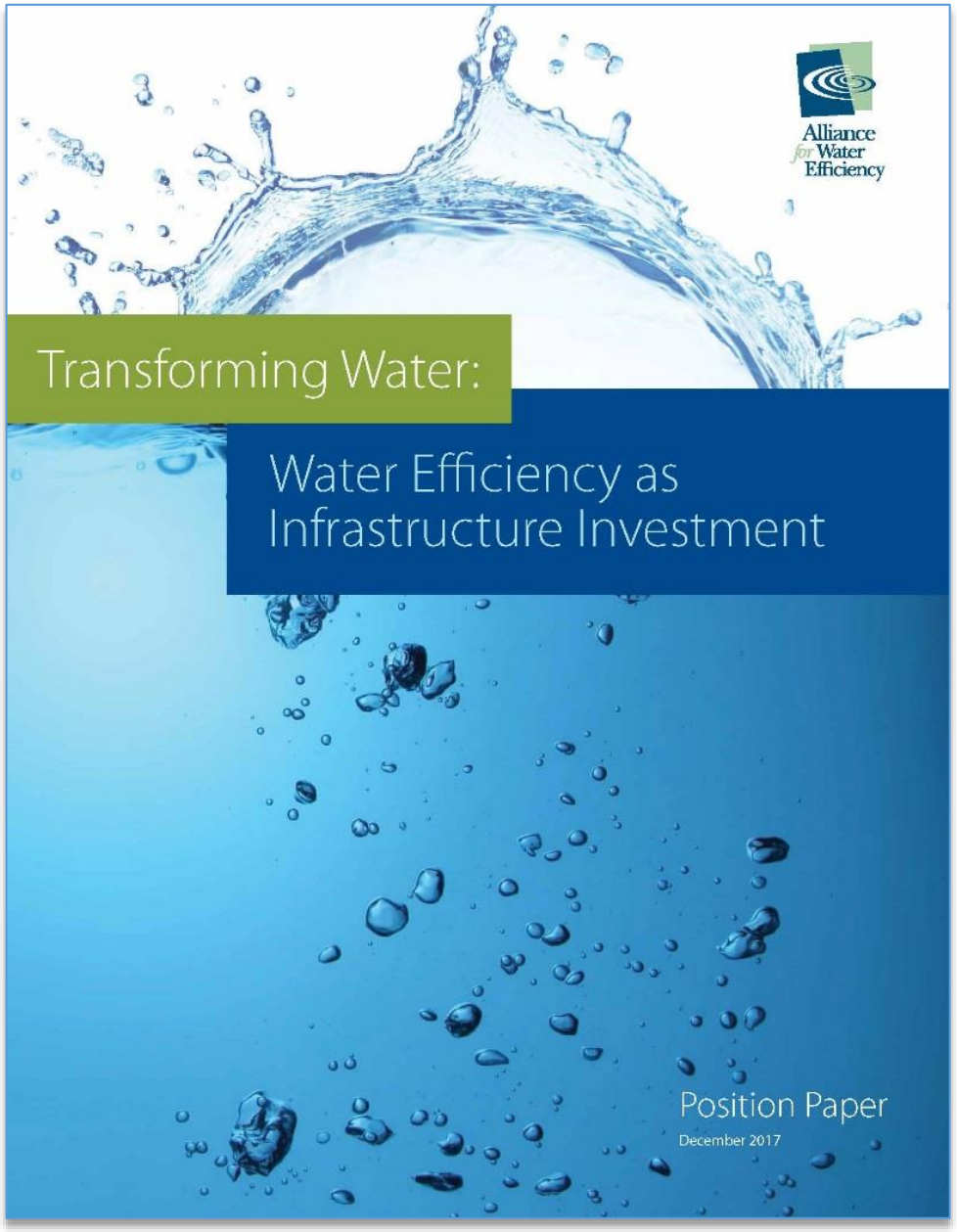

TEXAS WATER
FOUNDATION
Water Conservation
Equals Texas Jobs
Carole Baker, CEO
ADDRESSING THE UNIQUE WATER NEEDS OF TEXAS

Telling The Story of the Economic Benefit of National and State Conservation Investments



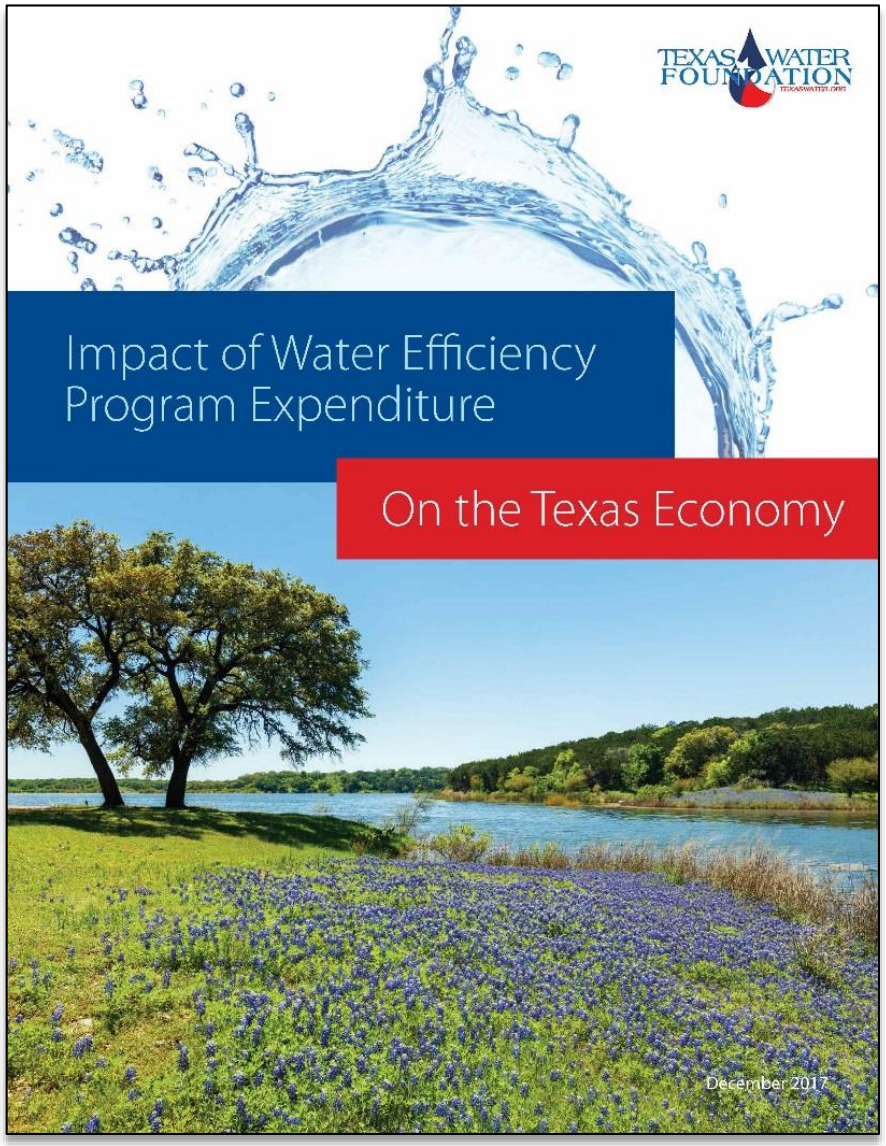
The National Story

- AWE Report to Congress, published December 2017
- Update of same report in 2008 during the Stimulus Bill drafting
- Purpose: To showcase the economic benefits of national and state conservation investments
- IMPLAN input-output model analysis by economists
- Results: $10 billion invested in water conservation:
  - Can boost U.S. GDP by $13 to $15 billion
  - Can boost employment by 120,000 to 260,000 jobs
  - Can save between 6.5 and 10 trillion gallons of water

What Does This Mean?

- Water efficiency and conservation are beneficial investments at the national and state level
- These investments compare very well with other water infrastructure investments
- Economic benefits exceed the cost: The economic benefit multiplier is 1.3 to 1.5
- Yet no national water efficiency investment has ever been made, even during the $780 billion ARRA ☹

Water runs through the Texas economy as its rivers run through the land.



Telling the Texas Story

- Texas Water Foundation commissioned AWE to prepare a Texas analysis based on the national work done to date
- Purpose: to determine what the economic benefit might be in Texas for a $2 billion investment in water conservation programs
- Same IMPLAN input-output model analysis
- Angelou Economics reviewed and verified the results

Texas Results

- Every $1 invested on water efficiency in Texas yields $1.30 to state output and $0.80 to gross state product, a solid return on investment
- A $2 billion investment in water efficiency would provide $2.6 billion in state output and $1.6 billion in gross state product

Texas Jobs

- Texas investments in water efficiency can create thousands of jobs for Texans: Utility staff, builders, plumbers, irrigation contractors, retailers, and others
- Each million dollars of direct investment supports 8.7 job-years in the state
- $2 billion spread over 5 years would generate $2.6 billion in state output and support 17,400 job-years.

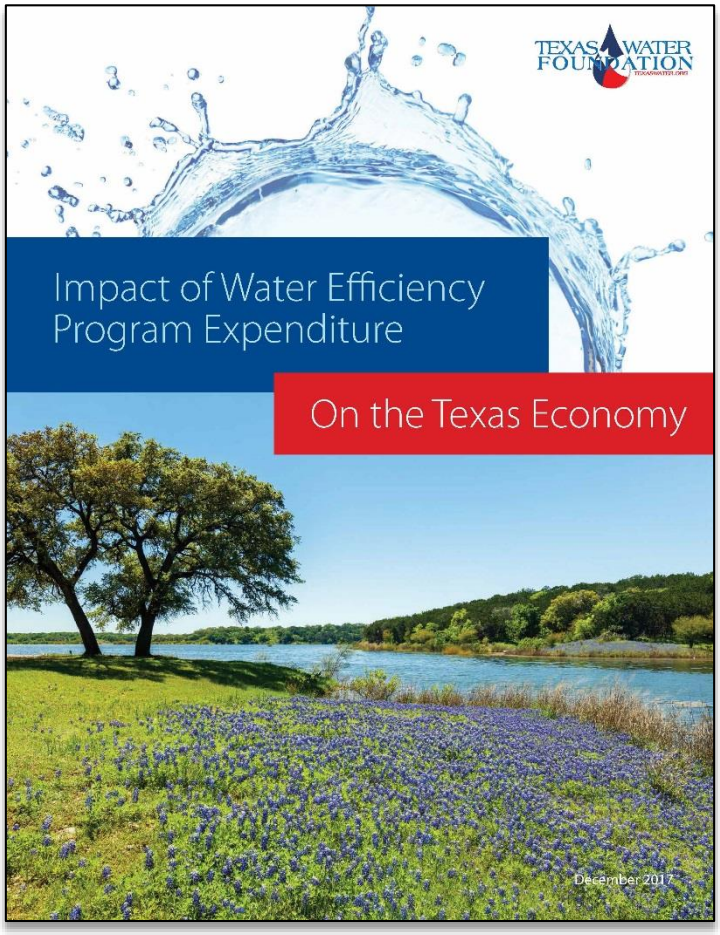
Water Savings

- $2 billion in water conservation would reduce statewide water use by 300 to 400 million gallons per day (MGD) with water savings having an average duration of about 10 years
- That is 336,000 to 448,000 annual acre-feet
- Enough water to serve 1.2 to 1.6 million single-family homes in Texas for 10 years
- Unit costs range from $800 per million gallons (landscape irrigation upgrades) to $2,000 per million gallons (HE toilet replacement)
- Average Unit cost: $1,600 per million gallons

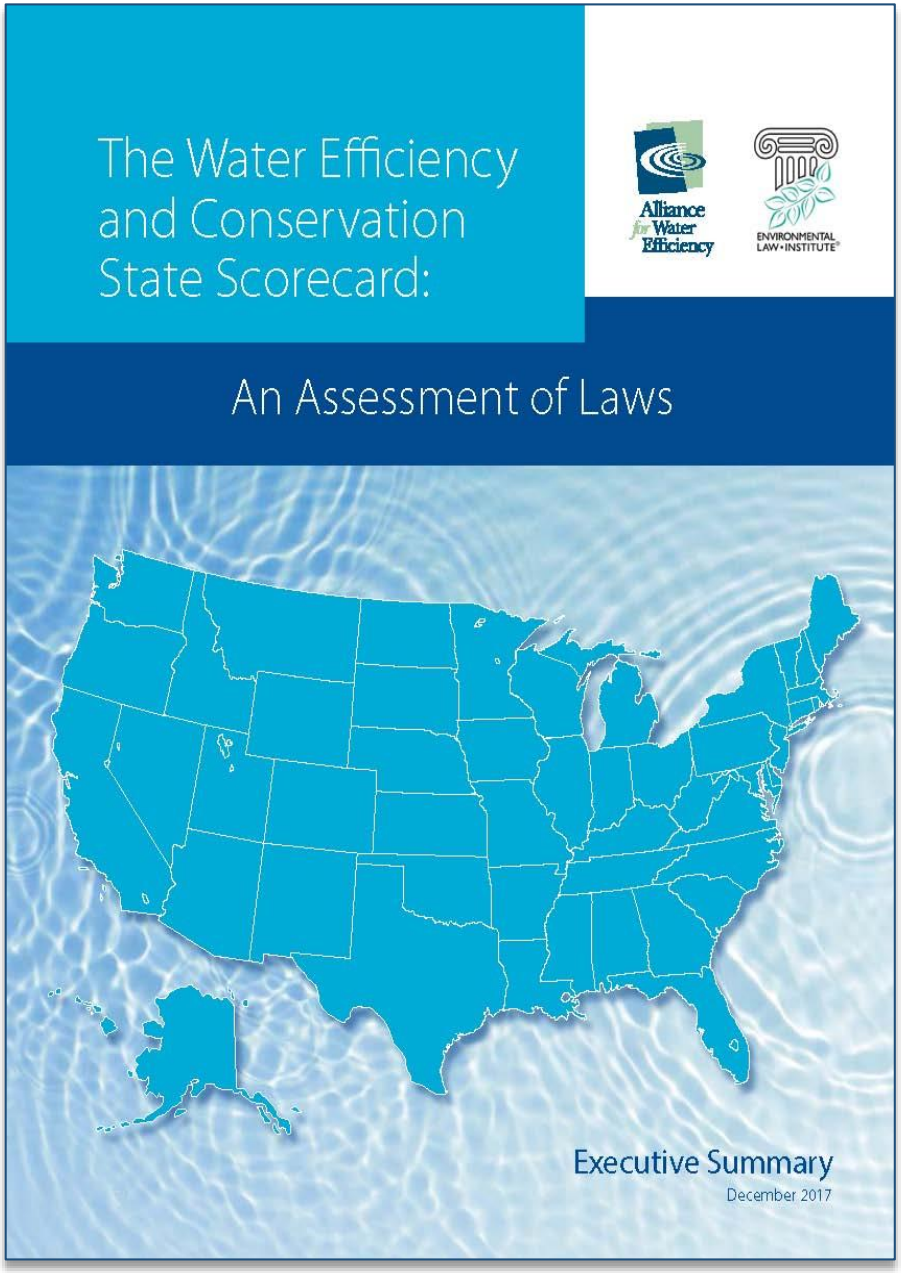
Water Savings

- Accurate accounting of water savings depends on the mix of programs implemented
- $2 billion could mean water savings of 400 MGD if program costs are near the lower end of the cost range. This is roughly the daily water demands of all owner-occupied housing in the San Antonio MSA
- $2 billion could mean water savings of 300 MGD if program costs are near the upper end of the cost range. This is roughly the daily water demands of all owner-occupied housing in the Austin MSA.

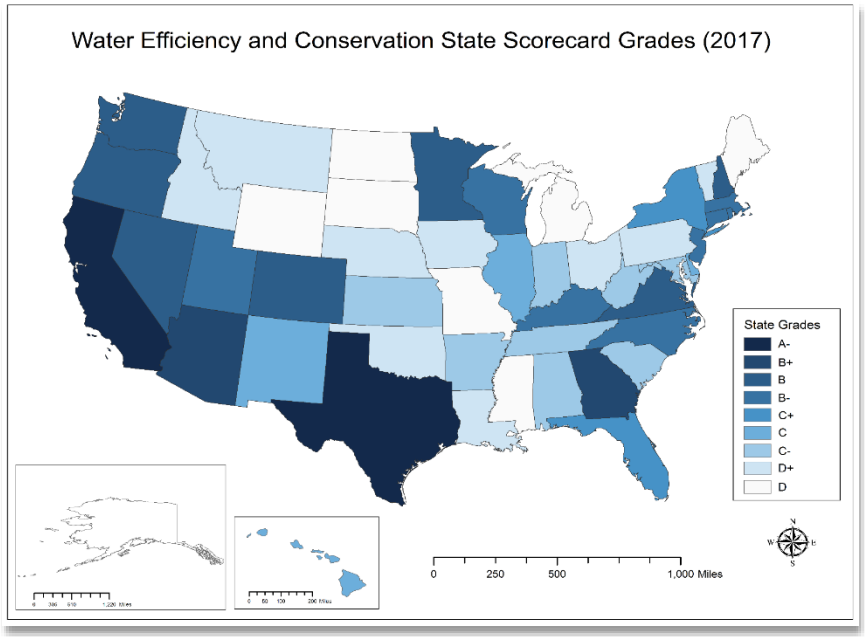
Report Outreach



- Printed Report will be distributed to Texas legislators
- All the data charts are in the Report
- Free PDF of the Report posted at www.texaswater.org



Texas #2 in 2017 State Scorecard!



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