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The Digital Transformation of Small Utilities.

Improving Performance of the Long Tail of the Water Industry

According to the U.S. Environmental Protection Agency (EPA), there are more than 50,000 drinking water and wastewater utilities in operation in the United States serving a population of less than 10,000. These utilities face the same challenges of their larger counter parts and more, including lack of financial resources, economies of scale, and long-term planning; management limitations; aging infrastructure and workforce; ineffective treatment technologies for modern day pollutants (e.g., PFAS); partial digital transformation; difficulty keeping up with current and future regulations; achieving service levels; and meeting customer expectations.

One challenge of specific interest is "partial digital transformation," because completing such a transformation could help overcome several other challenges. Unfortunately, according to Eric Bindler, senior research director at Bluefield Research overseeing it's digital and municipal water research, "small utilities are in much earlier stages of their digital journeys than their larger peers."

The Digital Transformation

For perspective, the digital transformation began with the start of third phase of the industrial revolution ("Industry 3.0") in 1969. The transformation rapidly accelerated in the 1980s and thereafter with personal computing, networking and connectivity, the Internet, mobile devices, robotics, data storage and management, etc. Industry 3.0 introduced electronics and information technology ("IT") to automate production and data management, and to perform human tasks.

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Water Finance & Management

By Doug Hatler

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