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Maximizing Water Utility Investment: TCO and ROI

For water utilities, wise investments hinge on understanding the full financial picture. Total Cost of Ownership (TCO) is a strategic framework that goes beyond upfront costs, revealing the true value of water system investments over their lifetime, typically 20 years for advanced metering infrastructure (AMI). Kamstrup's TCO analysis empowers utilities to optimize budgets, boost efficiency, and justify upgrades to stakeholders.

TCO encompasses hardware, installation, software, maintenance, and savings from reduced losses. Unlike Return on Investment (ROI), which is speculative, Kamstrup's TCO uses predictable, verifiable data for transparency. Key levers include hardware investment, ongoing software costs, and meter reliability, with Kamstrup's 0.25% annual failure rate saving millions compared to competitors' 2.3%

TCO shines in evaluating RFPs, gaining finance team approval, and persuading boards by translating tech into trusted financial terms. Kamstrup's customizable TCO calculator uses utility-specific inputs like water revenue and losses to deliver actionable outputs. For example, a 75,000-connection utility could save 87.2% with Kamstrup's RF solution versus cellular, avoiding costly lid replacements.

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Water Finance & Management

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