Overview:
Drinking water utilities define “non-revenue water” as drinking water that costs the utility to produce or purchase but does not generate revenue. Reducing non-revenue water optimizes the management of the utility and maximizes a utility’s net revenue by saving water and money.

In an effort to better understand non-revenue water, in 2019, the Indiana Legislature enacted Senate Enrolled Act 4 (IC 8-1-30.8) which obligates water utilities to complete an annual water loss audit. Water utilities must submit water loss audits every even-numbered year to the Indiana Finance Authority (“IFA”) for compilation into a biennial report to the Indiana General Assembly. This first biennial report summarizes calendar year 2019 data that was submitted to the IFA in 2020.

Results:
In 2020, 473 utilities out of 519 utilities (91% of Indiana’s metered drinking water utilities) submitted a validated water audit. The results found that the state-wide total of non-revenue water amounted to over $58.4 million. See Figure 2.

Conclusion:
Data gathered through performing a water audit can bring to light opportunities for improvement in a utility’s water management process. More efficient operations lead to financial savings for the utility, a longer lifespan for infrastructure, and preservation of Indiana’s water resources.

For more information:
The entire report and data set is posted on the IFA website. [https://www.in.gov/ifa/water-loss-audits/]