Use of Performance Contracts for Advancing Efficiency in Water Infrastructure


Energy service performance contracts (ESPCs) with energy service companies (ESCOs) have been used for two decades to promote energy-saving strategies and measures, mostly in the commercial and public building sectors.¹ Water efficiency service companies (WESCOs) have been a much smaller sector serving water utilities. These companies bring together technical know-how, institutional knowledge about available funding and incentives, and risk-sharing to deliver customers operational savings (see Appendix D for a general discussion). The latter two factors could be key to making this mechanism a useful means of increasing adoption of advanced electricity technologies in the water utility sector.