



NRW Management

A critical step towards water security

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In India, almost one third of the current population lives in cities and this will reach half the country's population in just a few decades. With increasing economic activities, population growth and rapid urbanisation are exerting major pressure on water supply, water quality and public health.

India is soon going to be confronted by a serious resource challenge. The available water resources have reduced over the years but the demand has escalated and is projected to overtake the availability very soon. Water demand will continue to grow and by the year 2025, it is expected to increase by over 20 per cent, fuelled by industrial requirements which are projected to double from 23.2 trillion litres per annum at present to 47 trillion litres per annum. Domestic demand is expected to grow by around 40 per cent from 41 trillion litres per annum to 55 trillion litres per annum while irrigation will require 14 per cent more water- 592 trillion litres per annum up from 517 trillion litres per annum currently. The Ministry of Water Resources, River Development and Ganga Rejuvenation predicts that per capita water availability will reduce by 36 per cent by 2025 and by about 60 per cent in 2050 from 2001 levels. While agriculture will remain the major water user, the challenges posed on water requirement by growing urbanisation calls for a monumental shift in response from all stakeholders.

Non-revenue water

Non-revenue water (NRW) is water that has been produced but does not generate revenue for the utility and is "lost" before it reaches the customer. Losses can be real (through pipe and network leaks, referred to as physical losses) or commercial (theft or metering inaccuracies, incorrect billing or illegal connections).

High levels of NRW are detrimental to the financial viability of water utilities as well to the quality of water itself. Utilities with high NRW rates cannot provide sustained and reliable services to their customers, and often lack the capacity to fix problems or extend networks.

Most of the water utilities in the country are facing huge challenges as a consequence of increased urbanisation, higher demand, increased prices, and ageing and dilapidated distribution networks. The NRW level is quite high in Indian cities, which results in huge volumes of treated water being lost during transmission and distribution. This affects the financial health of water utilities through lost revenues and increased operational costs. A high level of NRW indicates that water utilities are poorly managed and have governance issues, lack accountability as well as the technical and managerial skills necessary to provide reliable services to the citizens.

In the West, urbanisation took place when economic conditions were improving steadily, and over a significantly longer time period. The cities were planned with adequate funds and expertise to develop the infrastructure required to manage water and wastewater along with other facilities. In contrast, the magnitude of India's increasing population and levels of urbanisation have simply overwhelmed the financial and managerial capacities of the cities, including their water supply and wastewater management systems.

NRW management initiatives

While the need for NRW management in Indian cities is important for the operational and financial health of water utilities, it is hard to understand why efforts to improve the situation have been so limited. Cities such as Singapore, Ma-



nila and Phnom Penh have successfully implemented water loss management programmes to reduce NRW to below 20 per cent levels. Indian water utilities are struggling to provide clean drinking water due to ever-increasing populations, expanding service areas and high levels of water loss. Reducing water losses is critical to efficient resource utilisation, effective utility management, enhanced consumer satisfaction, and reduction in capital-intensive capacity addition. Utilities which have initiated and sustained water loss management programmes have gained significantly in terms of financial returns and better consumer services.

The way forward

Water is paramount to human sustainability, but far too often it is wasted, polluted and taken for granted. In an increasingly complex water situation, the country's water utilities need to focus on ways to ensure more efficient water management and the adoption of new technologies for maintaining municipal water supply systems. Utilities which carefully and creatively use their water assets for strategic urban advantage will ultimately be more sustainable and competitive.

