



Offering a range of
solutions for utilities across
North America



WATER



Developing access to resources • Preserving resources • Replenishing resources
Resourcing the world

We have **flexible options** that can be adapted to meet your **individual needs** and requirements.

Veolia companies today operate more than 8,500 water and wastewater facilities and systems around the world, using service delivery models that are designed to fit the specific needs of each individual client.

❖ Cities need to adapt to limited funding, changing regulatory requirements and the demand for capital repair. Veolia's wide range of services can help cities under considerable financial pressure to ensure public service levels while controlling rates and budgets.



NEW YORK CITY

OPERATIONS FOCUS

PEER PERFORMANCE SOLUTIONS

New York City selected Veolia for help in making the safest, most cost-effective and transparent water utility in the nation.

The partnership uses a version of Veolia's Peer Performance Solutions model and is highly focused on operational expenditures. Peer Performance Solutions blends public employee know-how with industry experts from a global team.

With this model, employees stay public and Veolia's compensation is tied to robust key performance indicators.

10.8%
total recurring financial benefit
(more than \$100M) as a
percentage of the 2011 budget

\$43M
in new meter revenue
through accuracy
maintenance program

CASE STUDY

NEW YORK CITY:
OPERATIONAL EXCELLENCE FOR
THE NEW YORK CITY DEPARTMENT
OF ENVIRONMENTAL PROTECTION
(NYC DEP)





\$90M

in recurring, positive
financial benefit has already
been achieved as of
November 2014

“...we have combined our own expertise
– including many recommendations from
our front-line employees – with Veolia’s
knowledge of the industry to find ways to
improve our operations and keep rates as low
as possible for New Yorkers.”

– Former Commissioner Carter Strickland



**POTENTIAL
IDENTIFIED**
Performance
indicators
benchmarked



**POTENTIAL
MAXIMIZED**
Experienced subject
matter experts engaged
–
Benchmarking focus
based on best practices
–
Fresh perspectives by
a new set of eyes



**CONSTRAINTS
IDENTIFIED**
Systemic constraints
identified and cost/
benefits measured
–
Experience of
operated utilities
leveraged



**MOMENTUM
GENERATED**
Innovative spirit fostered
through collaborative
approach with staff
–
Quick wins
implemented to set the
stage for further success



IMPLEMENTATION
Operating
costs controlled
–
Performance
improved and
sustained at a
higher level

WINNIPEG, CANADA

CAPITAL FOCUS

PEER PERFORMANCE SOLUTIONS

Winnipeg uses a version of Veolia's Peer Performance Solutions model that is focused on capital expenditures.

The model adopted by Winnipeg emphasizes risk transfer to Veolia while providing long-term management assistance and advisory services.

Similar to project management, this approach is designed to assist the city in best providing water and wastewater services and associated capital improvements.

\$750M

in mandatory sewage treatment upgrades



CASE STUDY

WINNIPEG, CANADA:
TEAMING UP WITH WINNIPEG ON
LONG-TERM CAPITAL IMPROVEMENTS
AND PROGRAM STRATEGY



“This is a great deal for Winnipeggers, and I am pleased to have an agreement in place that will ensure Winnipeg has the highest standard of sewer treatment facilities and services with the assistance of a company that will share the financial risk involved to keep these immense upgrade projects under budget.”

– Mike Ruta, acting city administrative officer of the city of Winnipeg

Collaborate

capital improvements and ongoing
strategic advice and guidance



PITTSBURGH

MANAGEMENT FOCUS
PEER PERFORMANCE SOLUTIONS

Pittsburgh's partnership with Veolia is based on an operations-focused Peer Performance model with management augmentation.

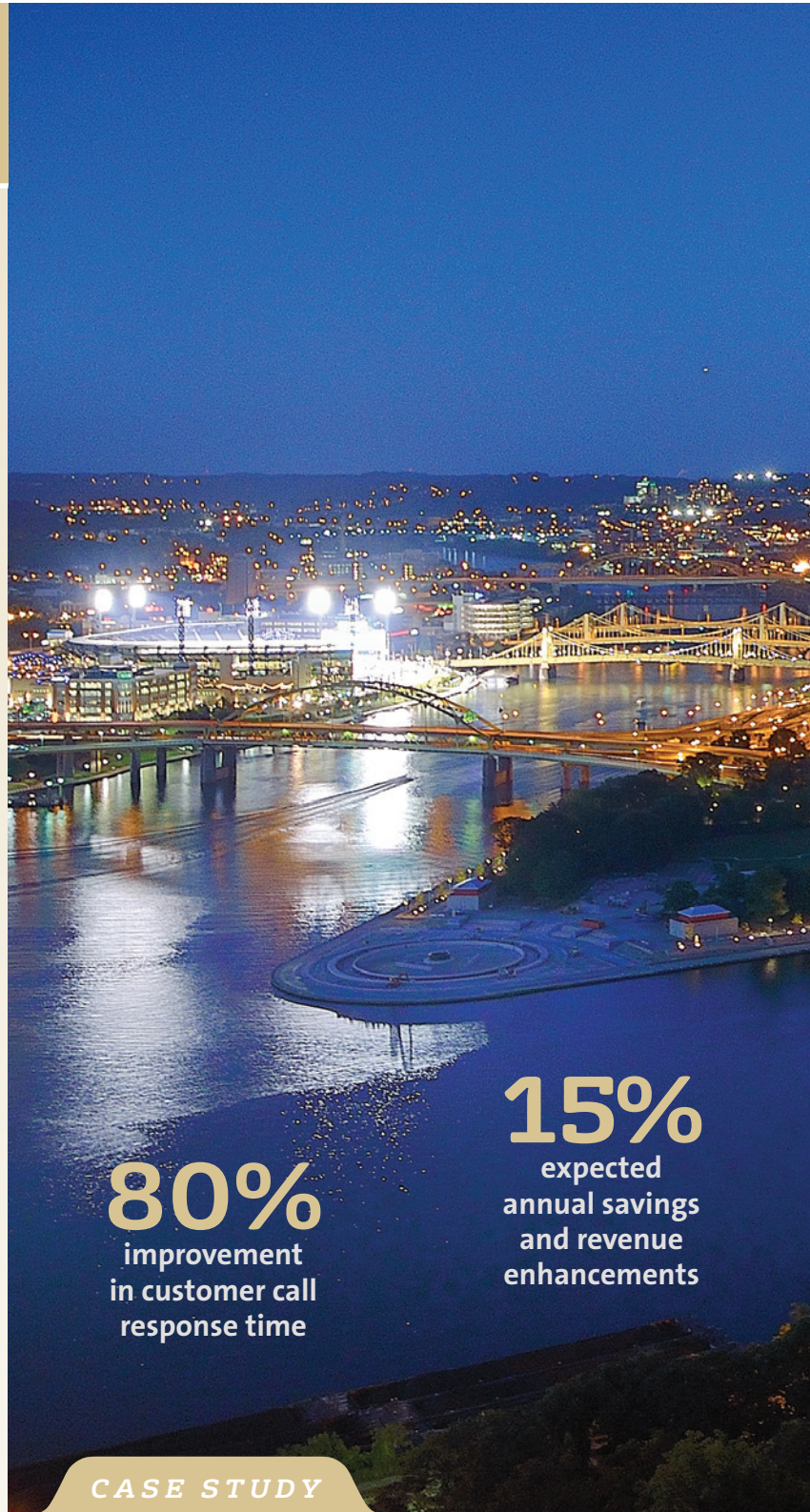
Using this model, Pittsburgh deploys on-site, senior leadership from Veolia to help lead public employees in the achievement of goals tied to key performance indicators. Veolia assumes leadership duties with the public staff and reports directly into the client.

80%
improvement
in customer call
response time

15%
expected
annual savings
and revenue
enhancements

CASE STUDY

PITTSBURGH WATER AND SEWER AUTHORITY:
INTERIM MANAGEMENT AND PEER PERFORMANCE
SOLUTIONS FOR THE PITTSBURGH WATER AND
SEWER AUTHORITY





\$5.5M

annual savings and
new revenue to date

“A lot of us felt we were struggling and we needed some help,” said Tom Palmosina, who jointly led the organization immediately before Veolia came. He said the authority focus was on ‘maintaining the status quo’ instead of updating itself.

– Front page article in the Pittsburgh Post-Gazette,
July 5, 2013



MILWAUKEE

OPTIMAL PERFORMANCE FOCUS
OPERATE, MAINTAIN & MANAGE

Milwaukee uses an O&M model developed to meet stringent and enhanced performance targets.

These targets range from asset management to environmental performance, with the city requiring Veolia to provide significantly better results than the permit limit in a wide range of environmental parameters.

In an O&M partnership, the public partner retains ownership, rate-setting and overall system management. The result is enhanced local control and flexibility.

O&M partnerships date back to 1972 in North America, where Veolia recently celebrated 40 years of service, meeting the environmental needs of Burlingame, Calif.



Innovations
in measurement: the Water Impact Index

\$35M
in savings over
contract term

CASE STUDY

MILWAUKEE, WISCONSIN (wastewater):
A LONG-TERM PARTNERSHIP DELIVERING
INNOVATIONS AND IMPROVEMENTS



**“After two years of analysis and a competitive bidding process,
I truly believe this is environmentally and financially the best direction
for our Region.”** – Kevin Shafer, MMSD executive director



Improvements

capital programs, biosolids management,
CSO and wet weather operations



TAMPA BAY WATER

LONG-TERM GUARANTEES,
CAPITAL PROJECT FOCUS
DESIGN-BUILD-OPERATE (DBO)

Tampa Bay Water partners with Veolia using a DBO model that was adapted to meet the client's need for a new water supply source.

The partnership resulted in a substantial \$80 million cost savings on what was originally projected to be a \$200 million budget by the agency's advisors, while delivering the project on time.

DBO partnerships enable Veolia to provide for the design, construction and operation of a project and can dramatically save money, reduce time and provide stronger guarantees – all while transferring increased risk to the private sector.

Quality

multiple awards for quality and best practices from AWWA and others



40%

under budget on
large DBO project

CASE STUDY

TAMPA BAY WATER: COMPLETES
ENORMOUS EXPANSION WITH
SUBSTANTIAL SAVINGS





“We’re delighted that our partnership completed the new Tampa Bay Water Regional Surface Water Treatment Plant on time and under budget. This new facility is the backbone of our regional water service to more than 2.4 million people. By every measure, whether water quality, cost or service, this project is a success.”

– Jerry Seeber, Tampa Bay Water general manager



RIALTO, CALIFORNIA

FINANCIAL/OPERATIONAL FOCUS
CONCESSION

Rialto is using a public-private concession model to strengthen its financial position and improve its infrastructure.

Rialto's concession partnership provided the city with \$172 million in total financing in a program that is creating 445 jobs in the construction sector.

Concessions provide immediate capital to municipalities through long-term leases of public-utility services to private entities, while the public sector continues to own its assets and set rates.

445
construction jobs

\$41M
in capital improvements

\$35M
upfront for development
investment

CASE STUDY

RIALTO, CALIFORNIA: RIALTO FUNDS IMPROVEMENTS WITH ALTERNATIVE WATER INFRASTRUCTURE SOLUTION





Partnership

30-year commitment to
performance, safety, customer
and community satisfaction

“The Rialto partnership is the future of U.S. infrastructure funding. It creates jobs, helps the community and represents one of labor’s most important solutions for rebuilding the country.”

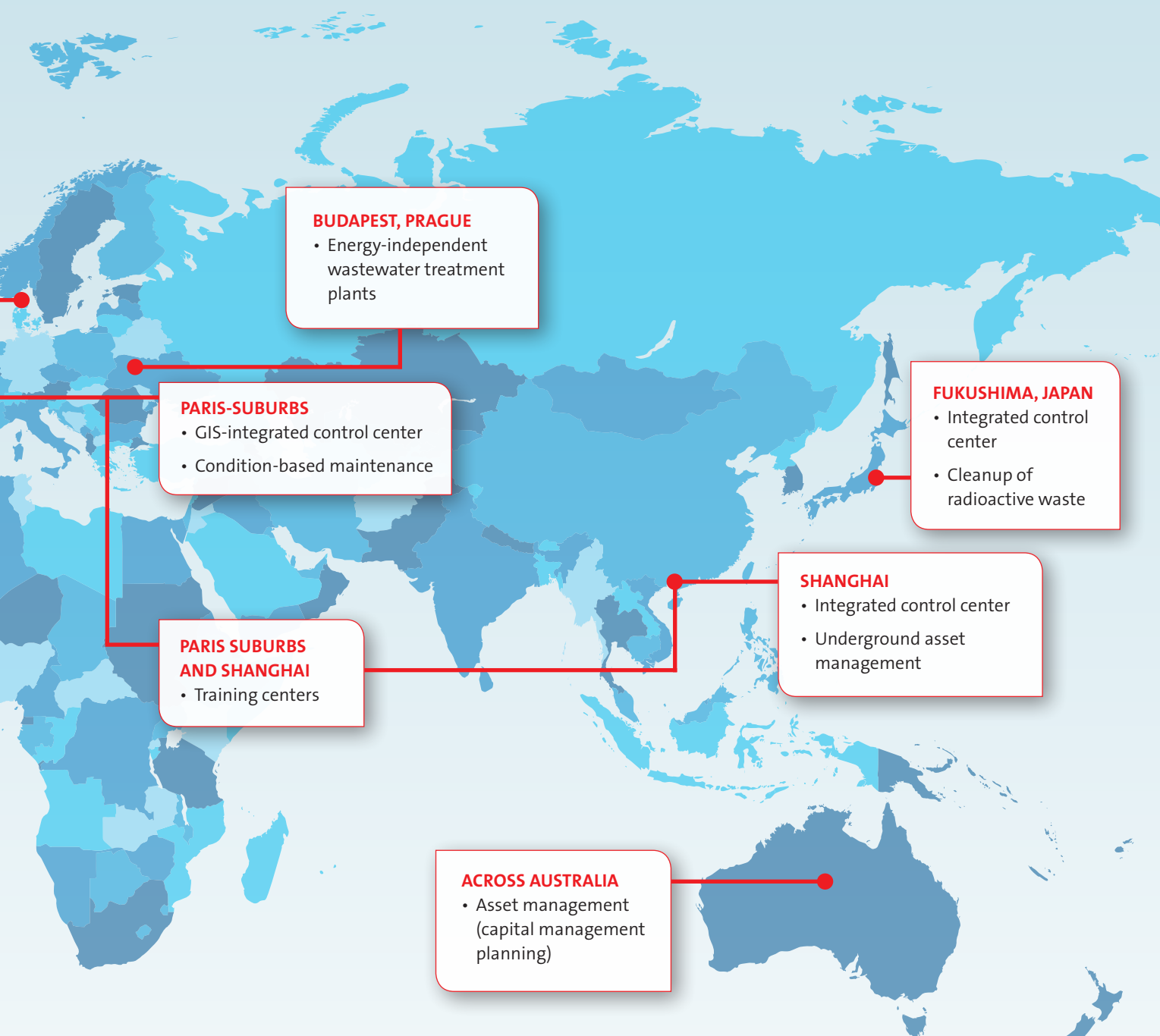
– Edward Smith, president and CEO, Ullico, Inc., the only labor-owned insurance and investment company



As a peer utility operator serving more than 8,500 treatment facilities, Veolia can offer the best practices from the worldwide industry leader.



Everyone is aware of the pressure on resources. For Veolia, this means we must be more inventive, more responsible and more efficient. Our customers rely on us to develop new models to meet today's environmental challenges.



❖ Veolia also provides stand-alone operational assistance to help with unique challenges. Our subject matter experts have experience managing all aspects of utilities, including CPM, customer service, metering, fleet, procurement and more. Together, we can develop a customized approach to address your specific needs.

Stability & qualifications

from the global leader in
optimized resource
management

PROVEN INDUSTRY LEADER

- Over 187,000 employees on five continents.
- Leading global provider of water services, with \$31 billion in 2013 revenues.
- Serve the water needs of 94 million people and the wastewater needs of 62 million people around the world.
- The most innovative water provider in the world. We birthed the water services industry in Europe and in North America.

INNOVATIVE SOLUTIONS

- Partnerships with some of the world's largest cities, including New York City, Shanghai and the suburbs of Paris.
- Provide a comprehensive range of services to both municipal and industrial customers (includes some of the largest and most complex water and wastewater systems in the U.S.).
- 160 years of global experience operating some of the largest water and wastewater systems in the world – Veolia's level of O&M expertise is unmatched.

WATER/ENERGY NEXUS

- Veolia works to save water *and* energy. We are a leading operator and developer of energy efficient solutions, providing services in over 120,000 installations in 40 countries.
- Each year, we produce 86 million MWh and are responsible for 7 million metric tons of global carbon emission reductions.
- The largest U.S. district energy portfolio – uniquely qualified to help our customers control their energy costs, reduce operating risks, and optimize energy and fossil fuel consumption.

Resourcing the world is our job.

Energy, water and environmental services are critical for sustainability and human progress, and Veolia offers the most complete range of solutions to meet these challenges.

With over 187,000 employees worldwide, we provide water, waste and energy services and energy management solutions that contribute directly to our customers' sustainable development and competitiveness.

VEOLIA'S WIDE RANGE OF MODELS are designed to be adapted to meet the considerations of each municipality we serve. The table below provides various examples of situations where our clients have customized our flexible models to meet their individual needs.

I want my utility to be more energy-efficient and maximize the use of resources.

Using Veolia's **PPS Model**, NYC sets transparent KPIs for energy efficiency, and contractually links Veolia's compensation to these objectives.

By adding environmental contract metrics to its **O&M partnership**, Milwaukee maximizes its resources and performs significantly better than its permit limit.

My utility's costs are exceeding its revenue, and we need to mitigate rate increases.

Pittsburgh increased revenue targets using Veolia's **PPS Model**. The partnership studies the way fees are billed and works with large customers to find revenue without raising rates.

Atlanta Fulton-County mitigates rate increases with an **O&M partnership** that has delivered more than \$4 million in water rate savings while earning more than 50 awards.

I want to improve my utility's procurement process, customer service program, revenue collection, and/or train my utility staff.

Pittsburgh uses Veolia's **PPS Model** to improve customer service, and reduced call wait time from eight minutes to four minutes in the first year alone.

To improve revenue collection, Buffalo leveraged its **O&M partnership** with Veolia to increase residential meter installations from 30 to 400 per month.

My utility needs an expert manager from the private sector to provide oversight and senior leadership to our public workforce.

Buffalo's public workforce is managed by Veolia in an **O&M partnership** designed to produce a cultural change tracked by more than 20 transparent performance metrics.

Using the **PPS model**, Veolia partners with Pittsburgh to lead 270 public employees in implementing initiatives tied to new performance targets.

We want to work with our industry experts to manage a major capital program or meet the requirements of an EPA Consent Decree.

Winnipeg uses Veolia's **PPS Model** for strategic guidance on capital improvements on three wastewater plants, involving more than \$750 million in mandatory upgrades.

To manage costs associated with a major construction program, Tampa Bay Water chose Veolia's **DBO model**, saving \$80 million on a projected \$200 million budget, while meeting project deadlines.

My community needs an infusion of millions of dollars to cover large capital expenses and/or other city costs.

To proactively deal with financial challenges, Rialto chose a **public-private concession model** that has delivered \$35 million in cash, \$41 million in capital improvements and 445 new construction jobs.

Oldham County, Ky. leveraged its **O&M partnership** with Veolia to secure an EPA grant and low-interest financing; Veolia also contributed capital toward new equipment, dramatically improving environmental performance.

We are looking for experts from the private sector to operate the utility to address operational challenges.

Faced with highly variable conditions in flows and water quality, Tampa Bay chose to partner with Veolia in a **DBO contract**, which provided them access to a highly specialized team from around the globe.

When it needed support to meet discharge standards, Vancouver, Wash. partnered with Veolia using the **O&M model**. Veolia and the client have now operated for 36 years without a permit violation.

I want to optimize my utility's operations while maintaining full public-sector management and control.



Regardless of the size and scope of your project, **all of Veolia's models** are designed to optimize your operations while maintaining full public-sector management and control.



Resourcing the world

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