Ecolab, Trucost, Microsoft Team Up to Help Businesses Monetize Water Risks

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Water-related impacts costs companies $14 billion in 2016, according to CDP. These financial impacts come from drought, flooding, tightening environmental regulation and the cost of cleaning up water pollution and fines.

But what does this mean specific to your company and its operations’ water risks, now and in the future?

The Water Risk Monetizer, a publicly available financial modeling tool, can help your corporation figure it out. It enables businesses to factor current and future water risks into decision making, and now also incorporates water quality into its site-specific risk analysis to provide a more comprehensive risk assessment.
The [online tool with its new features](#) helps businesses understand the impact of water quantity and quality on their operations, and gives them the insights they need to make more sustainable business decisions, its creators say. It was developed by water technology and services firm Ecolab and environmental data and risk analysis specialists Trucost, and built on Microsoft Azure Cloud technology.

The Water Risk Monetizer is designed to advance corporate water management in an increasingly water-scarce world, said Judson Althoff, executive vice president of worldwide commercial business for Microsoft. According to the United Nations, [global demand for water will exceed supply](#) by 40 percent by 2030.

“At Microsoft, we see a great opportunity to use the [cloud, IoT and machine learning](#) to transform water management,” Althoff said in a statement. “We have worked with Ecolab and Trucost to develop a secure solution that can listen, learn and predict. The Water Risk Monetizer tool, powered by our cloud technologies, is able to turn data into actionable insights to transform the way every business consumes and manages water.”

The Water Risk Monetizer uses local water basin datasets, economic techniques and scientific methodologies developed by Trucost to monetize water-related business risks. The tool quantifies the full value of incoming and outgoing water to a specific location based on basin-level quantity and quality considerations – taking into account tangible factors such as scarcity and quality as well as less tangible human health and environment impacts of water use.

It displays risk levels for individual facilities in comparison to current water costs.

New features of the Water Risk Monetizer include:

- Assessment of incoming water risk based on water quantity and quality
- Assessment of outgoing water risk based on water quality
- Enterprise risk profile based on three-year projected output growth and location-specific water stress
- Incorporation of reputational risk exposure provided in partnership with RepRisk
- Enhanced user interface and functionality including the ability to organize and sort facilities, and rank them based on risk level to make it easier to prioritize action

“The impacts of water scarcity on business are complex and far reaching,” said Christophe Beck, Ecolab executive vice president and president, Nalco Water, an Ecolab company. “Successful business leaders will drive water strategies that go beyond simply using less to reuse and recycling. Data provided by the Water Risk Monetizer not only encourages conservation but also helps make circular water management an important and viable option to ensure a more resilient future for businesses and communities.”