



## Innovative Solutions

### An Interview with Robert Iacullo, President, United Water

**EDITORS' NOTE** Robert Iacullo oversees operations and management of United Water's water and wastewater businesses across the nation. In addition, he oversees Utility Service Group, the nation's leading water tank maintenance service company, which is a subsidiary of SUEZ ENVIRONNEMENT North America, United Water's parent company. Iacullo joined United Water in 1980 as a rate analyst and held positions of increasing responsibility with the company serving as Chief Operating Officer of United Water, Chief Operating Officer of the regulated segment, President of the New York/New Jersey Metro Region, Vice President of United Waterworks, and Vice President of regulatory business. Before joining United Water, he was a rate analyst with the New Jersey Board of Public Utilities. Iacullo is a commissioner of the New Jersey Water Supply Authority. Iacullo holds a bachelor's degree in business administration from Montclair State University and an M.B.A. in finance from Fairleigh Dickinson University.



Robert Iacullo

**COMPANY BRIEF** As one of the nation's leading environmental companies, United Water ([www.unitedwater.com](http://www.unitedwater.com)) provides water and wastewater services to approximately seven million people in the United States. In addition to owning and operating 20 water utilities, the company operates more than 200 municipal and industrial water and wastewater systems through innovative public/private partnerships and contract agreements.

#### What range of services does United Water offer?

People in New Jersey tend to think of us as what we were founded as a little over 140 years ago in Bergen County – the Hackensack Water Company. When I tell people we have operations in 24 states and a presence through one of our subsidiaries in 41 states, as well as having a foreign shareholder who has a global presence, they're surprised.

The type of services we provide is the secret to our success because we offer a unique range of services that go from the provision of water treatment and wastewater treatment equipment through one of our affiliated companies, to what would be full privatization or ownership of utilities.

In between, we provide a number of services from consulting services, management of capital projects, and asset management, to outsourcing of utility operations and involvement in design/build/operate opportunities for water and wastewater facilities.

#### Is there more opportunity for growth in the U.S.?

Geographically, we look at where we can provide innovative solutions, whether on the water or wastewater side of the business. We're seeing good activity across the country, partially from getting involved in states that have high growth but also from continuing to be involved in states that welcome privatization.

New Jersey bucks the trend in the water industry. Across the country, roughly 85 percent of the population is served by municipal or public operations on the water side; in wastewater, it is about 95 percent.

In New Jersey, approximately 50 percent of the population has their water provided by private companies. Beyond that, New Jersey has been accommodating in terms of legislation to promote public/private partnerships.

We serve cities in New Jersey like Hoboken, Jersey City, Rahway, Camden, and Orange, and we're not the only company that is providing those types of services in New Jersey. There are a number of competitors that are doing likewise.

#### How have you deployed new technology at United Water?

Employing new technologies enables us to provide safe, reliable drinking water and to continue to protect the environment in a cost-effective and efficient way. Over the past five years, we have invested nearly \$400 million just in our New Jersey facilities.

SUEZ ENVIRONNEMENT, our parent company, is focusing on projects relating to bio-solids and on an automatic metering infrastructure to help the customers better choose how they want to use the service, as well as helping us operate more efficiently in the distribution system. They invest slightly over \$90 million per year on research and development.

We belong to a group called the R+i Alliance, which was formed to look at research and innovation that would be common to any water purveyor around the world.

We have also created our own research center called United WERCs – a Water

Environmental Research Center – where we bid on research projects approved by the Alliance and utilize our own employees or consultants to work on specific research projects.

#### How critical is it for you to be heavily engaged within the communities?

Corporate social responsibility is one of the overriding initiatives that will help us achieve our vision. We encourage our employees to get involved in the communities we serve and give back to the communities where we earn our livelihood. This year, for instance, we made a commitment to the Cal Ripken, Sr. Foundation, so we'll be working with them to set up youth baseball programs in five cities across the nation, one of them being Jersey City.

We also entered into a partnership with the National Community Pharmacists Association to promote a program to properly dispose of unused medications so they don't end up in our waterways.

Additionally, we entered into a three-year project in Haiti with two of our affiliated companies where we'll help develop a plan to reconstruct and restore the water and sanitation services. After the earthquake struck, our French parent mobilized quickly to aid there. We didn't already operate there, but given the nature of our business, we felt a moral obligation to help out.

United Water has partnered with UNCF, the United Negro College Fund, to provide educational and financial assistance to minorities who could otherwise not afford college. The joint effort is part of the Corporate Scholars Program, in which the company will support several scholarships and internships over a four-year period with UNCF.

#### Is there an effective understanding of the merits and value New Jersey offers from a geographic point of view?

Our headquarters have been here for 140 years. While it may not offer the lowest cost of living in the country, our parent company has seen the benefits of having access to the highly educated and talented workforce from both within the state and the entire Metropolitan area.

The transportation and highway systems, as well as having access to a major airport, are advantages because we frequently have folks coming in from Europe. They realize the significance of the reliability of the infrastructure here – it's a major concern for us being a heavy user and dependent on energy to pump water throughout distribution systems. They're extremely interested in and supportive of the opportunities within the state to grow our business. ●