



GE Releases White Paper on Best Practices for Recycling and Reusing Water

Beijing, China; Brussels, Belgium; and Washington, DC. (May 28, 2008) - GE Water & Process Technologies released today -- *Addressing Water Scarcity Through Recycling and Reuse: A Menu for Policymakers* -- a white paper outlining the policies and best practices currently being used to increase and implement successful water conservation programs in water scarce regions of the world.

"Policymakers are looking for ways to expand water recycling and reuse initiatives, but until now finding information on how best to do that was tough," said Jeff Garwood, president and CEO, GE Water & Process Technologies. "By providing a menu of policy tools ranging from less intensive mechanisms, like public outreach programs, to more proactive, regulatory approaches, our paper will help governments, communities and businesses effectively evaluate their options."

Addressing Water Scarcity Through Recycling and Reuse: A Menu for Policymakers is built around a variety of policies that are being used in different locations of the world, including efforts to:

- Provide more information on and recognition of water recycling and reuse efforts
- Reduce or remove regulatory or cost barriers that prevent more water reuse or recycling
- Provide financial, regulatory or other incentives for water recycling and reuse
- Require more water recycling and reuse

Examples of how these policies are being applied in communities around the world are included in the report, which can be downloaded at www.ge.com/water.

Today, GE also announced its own commitment to reduce its own fresh water use by 20% by 2012. The new initiative is the world's most aggressive corporate water target to date and is expected to free up 7.4 million cubic meters (2 billion U.S. gallons) of fresh water a year - enough water to fill over 3,000 Olympic-sized swimming pools. GE expects to implement water reuse technologies and/or process efficiencies at over 100 company facilities to meet the absolute water reduction target. GE is using the same portfolio of water-saving solutions to help reduce municipal, industrial and agriculture customers' water footprints.

"Green technology offers a brighter future for our Blue Planet," said EPA Assistant Administrator for Water Benjamin H. Grumbles. "Ecomagination and others are growing green collar jobs and seizing on this changing climate of opportunity for water sustainability. EPA commends citizens, companies, and communities who are reducing water waste and increasing recycling because efficiency and reuse are the true blue wave of the future."

For more information on GE's water commitment please visit www.ge.com/ecomagination.

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Overview of Water White Paper

White Paper on Policies to Promote Water Recycling/Reuse: Examples Template

Governments in water scarce regions are looking for ways to increase water recycling and reuse, but they have difficulty finding information on the policy options they could use. The purpose of this white paper is to provide such a menu of policy options, drawing from examples around the world.

GE Water and Baker & McKenzie are using the template below to help pull together innovative policy ideas and examples for inclusion in the white paper. The key sectors for the analysis are: heavy industry (refining, steel-making, etc.); municipal wastewater; and irrigation.

Examples of these and other policy tools from the jurisdictions in which you work will be most helpful in making the white paper as useful to governments and customers as possible.

Template for policy options - When trying to increase water recycling and reuse, governments can choose to adopt one or more of the policy options listed below:

1. Help provide information on recycling/reuse options

- Support the private provision of information on recycling/reuse options through government awards, labels, certificates and other recognition programs
 - Example: "water star" voluntary labeling programs for recycling/reuse technologies
- Provide information on water recycling and reuse options through government channels
 - Example: TV/newspaper/web-based information on recycling/reuse technologies/incentives from water agencies
- Require that water users report on their recycling, reuse or efficiency efforts
 - Example: requiring that users of large volumes of water report the amounts consumed, reused and discharged to the water supplier/permitting agency
- Other information-based policy approaches to encouraging water recycling and reuse being used or considered in your jurisdiction

2. Remove barriers to the adoption of recycling/reuse options

- Eliminate any perverse subsidies that encourage more use of raw water and less recycling or reuse
 - Examples: water pricing policies that discourage water reuse; incentives for investments in technologies that consume large amounts of water
- Eliminate any perverse standards that prevent the adoption of water recycling or reuse technologies
 - Examples: manufacturing standards for food products that have the effect of not allowing the use of recycled water; building codes that prevent the use of low/waterless technologies

- Other subsidies, standards or regulations affecting piped-water networks that make it more difficult to recycle or reuse water in your jurisdiction
3. Offer incentives for the adoption of recycling/reuse technologies
- Reductions in payments to government
 - Examples: tax deductions or reduced lease payments for investments in water recycling/reuse technologies
 - Direct subsidies for the installation of water recycling/reuse equipment
 - Example: grant programs from governments for equipment installation
 - Government procurement of water recycling/reuse equipment
 - Example: requirement that all government buildings/operations maximize their recycling/reuse of water
 - Clarification of traditional water property rights around reduced use of raw water
 - Example: ensure that the use of water recycling equipment allows any unused water rights to be leased or sold to third parties and does not affect their continuing validity
 - Payments for reintroduction of recovered water into the raw water source
 - Example: allowing/requiring the water agency to compensate (through payments or the issuance of tradable credits) water users who recover and reinject water into its original source
 - Caps on water use/abstraction and tradable rights across water users
 - Example: authorizing water agencies to impose caps on water use in a region and to allow the trading of water reduction credits across permitted users
 - Higher charges for raw water use
 - Examples: increasing water charges even more as volumes used increase, including the possibility of separate income support for parties unable to pay the higher fees (such as the water stamps program in Chile)
 - Other incentives that governments in your jurisdiction are offering or considering to increase the adoption of water recycling and reuse technologies
4. Require more recycling/reuse
- Caps on water use/abstraction and tradable rights across water users [see above]
 - Water recycling/reuse requirements in water abstraction/discharge permits
 - Examples: require that new users/dischargers of water meet specified water reuse performance standards or install approved recycling/reuse technologies
 - Other requirements that governments in your jurisdiction have imposed or are considering to increase water recycling and reuse

Any other policy approaches being used or considered in your jurisdiction to encourage water recycling and reuse?