

Welcome. This is the first edition of the Water Innovations News, the e-newsletter of the Water Innovations Alliance (www.waterinnovations.org). In this bi-weekly newsletter we will try and keep you up to date on happenings at the Alliance as well as other water industry technology and innovation developments.

I want to especially thank Vincent Caprio, the Alliance COO, and Daniel Ritter, Paul Stimers and the rest of the team at of KL Gates for helping to make the launch of the Alliance a smashing success. Also let me take time to note the much-appreciated feedback and participation from noted environmentalist and ocean explorer Fabian Cousteau, Alliance co-founder and venture capitalist Josh Wolfe, and Pete Williams, CTO of IBM's Big Green effort. I also want to thank the attendees who joined us in person, via the web and in spirit as we launched our effort.

We have already had numerous enquiries about membership. We thank those who have already joined and urge all of you to come aboard to promote our efforts to increase federal support for innovation in the water industry. We have an unprecedented opportunity to promote water innovation at the federal level. Now is the time to unite and ensure that water innovations are represented among the funding and development priorities of the new stimulus plan. Contact Vincent Caprio (vince@waterinnovations.org) or myself.

We want this newsletter to keep our members and supporters alerted and informed. In the future we plan to use it to showcase developments, our members and our research into the pace of water innovations. We welcome your input in assistance as we drive forward with this effort.

Take care and have a safe and happy holiday season,

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PS: Presentations from the kick-off meeting will be posted to the Alliance website, www.waterinnovations.org, this week!

1. DC MEETING A SMASHING SUCCESS

Our expectations were met and exceeded with our kick-off meeting in Washington DC last week. At times we had close to 30 people online and about 40 showed up in person to support our efforts and to discuss matters important to the water field. The live audience included leaders from water management, water start-ups, Fortune 100 corporations, universities, national and international NGOs, DOE and EPA, and representatives from Congressional Committees.

During the meeting, I set forth our agenda for the next few months and moving forward:

- Developing and advocating a coordinated interagency program to advance research
- Increasing federal and state funding for water innovations and technology
- Lowering barriers to deploying new innovations in the field and in pilot projects
- Developing a knowledge and collaboration platform and encourage the spread of water innovations
- Proposing tax incentives to support innovative water technologies and infrastructure
- Supporting broader water industry initiatives

Some asked why we were so focused on increasing funding during the kick-off meeting. And while we have a far broader mission at the Alliance, the fact remains that there is a rare and imminent opportunity. Right now the federal government is looking at a nearly unmatched investment in cleantech and infrastructure as part of the new President's stimulus package and financing of green technologies. If this launch were happening a year ago or even a year from now, in all likelihood our focus would not be so aggressive out of the gate on funding issues, but we have a small window and a tight timeframe to affect what will likely be a once in a quarter century opportunity. So for the next 4-8 weeks, funding will be our focus.

After my overview, Mike Evans and Paul Stimers of K&L Gates gave a thoughtful review of the state of federal water programs as well as the opportunities to effect change. They described the ways that water research and development are funded currently, and the need for better coordination and more funding. K&L Gates will be taking the lead for the Alliance in reaching out to leaders in the Obama transition team as well as Members and staff on Capitol Hill.

Dr. Mark Shannon, head of the WATERCAMPWS at the University of Illinois, provided an incite overview of the state of water in America. It included damning evidence of a national water infrastructure nearing the breaking point, as well as pressures being created by drought, global warming, pollution and mismanagement. Dr. Shannon in his role as head of the NSF's only water research center provided a view that few could as to where we're at as a nation and where we are going as far as water use and management go. Alas, the news was not good - and technological innovation offers our best hope of avoiding disaster.

After the presentations wrapped up we took questions from the audience and developed a list of issues and initiatives to present to Pres. Obama's team regarding water innovations and technology. That letter is currently being drafted and will be sent out in the next week.

In closing, we want to especially thank Fabian Cousteau, noted environmentalist and ocean explorer, Josh Wolfe, Alliance co-founder and famed venture capitalist, Joe Zuback, CTO of Siemens Water, and Pete Williams, CTO of IBM's Big Green effort for joining us online as well as all the others who came or logged in. I would also like to

thank Scott Livingston of the Livingston Group for his help and for inviting the Alliance to play a part in his recent emerging technology financing forum in New York City which had some incredibly insightful panels on water and a great keynote for Congressman Steve Israel --one of the true heroes of cleantech and water innovations on Capitol Hill.

2. WATER INNOVATIONS ALLIANCE AND WATERIT.ORG TO MERGE

We are extraordinarily pleased to announce that the Water Innovations Alliance will be absorbing an exciting effort led by IBM and other water and information technology leaders to secure the participation of Federal and State water organizations, water utilities and other businesses in defining how IT should evolve to support water management, including the use of information technology to improve water management decisions, make the effects of individual decisions more visible and engage more stakeholders in water management.

At this point we are working out all the details of managing this effort and will have an announcement soon to better describe the effort, the goals, and timing. Stay tuned.

3. LETTER TO THE NEW OBAMA ADMINISTRATION

During the kick-off meeting, participants developed a list of proposals to include in a letter to the new Obama Administration. Among the proposals will be:

- Developing a framework for the comprehensive coordination, management, and implementation of water policies with a focus on federal R&D;
- Improving water-related technology transfer;
- Improving water-related data and expanding access to such data; and
- Supporting technologies that reuse and repurpose water.

We will be assembling a draft letter for review by Alliance members in the coming days.

4. MEMBERSHIP

After the success of our first organizational meeting, we are accepting memberships for the Water Innovations Alliance. Yes, you have the opportunity to be a founding member of our Alliance. We have attached a membership form or you may go to our website at www.waterinnovations.org for our information. Please call Vincent Caprio at 203.733.1949 or e-mail at vince@waterinnovations.org with any membership questions.

5. WaterInnovations.org Launches

The WaterInnovations.org website launches this week. The site will always be a work in progress, as we plan to make it a gateway for our members as well as anyone interested in the Alliance and water technology and innovations in general. We are reaching out to multiple key stakeholders to get them involved and will have updates coming regularly.

6. NEWS UPDATES

Water Technology Online: Water efficiency is for POU/POE, too
Billed as “the largest water efficiency conference in the world,” the first WaterSmart Innovations Conference and Exposition, held in October in Las Vegas, NV, brought together institutional and private-sector stakeholders from all over the globe. It was co-sponsored by the Southern Nevada Water Authority (SNWA) and the US Environmental Protection Agency (EPA)...

<http://www.watertechnonline.com/article.asp?IndexID=6637040>

US News: Obama Likely to Boost Water Quality Rules After Years of Lax Regulation
The Obama administration and the next Congress are being urged, by a growing number of academics, environmentalists, and lawmakers, to address the country's water problems, including its dwindling supplies, inadequate environmental protections, and stalled cleanup efforts. <http://www.usnews.com/articles/news/campaign-2008/2008/12/01/obama-likely-to-boost-water-quality-rules-after-years-of-lax-regulation.html>

CBS MarketWatch: WaterStyle Holdings, Inc. and UCLA Announce an Exclusive License for Certain Advanced Technology for Water Sustainability Invented at UCLA's Water Technology Research Center
WaterStyle Holdings, Inc. ("WSH") and UCLA jointly announce the licensing of certain key intellectual property for use in the water sector. The intellectual property focuses on advanced water systems, services and solutions for desalination, reclamation, reuse and sustainability. Under the terms of the License, WSH will have exclusive worldwide rights to this technology. This serves as the foundation for WSH's technology platform and systems capability... <http://www.marketwatch.com/news/story/WaterStyle-Holdings-Inc-UCLA-Announce/story.aspx?guid={8E56FF0A-A857-4570-A944-A273A97AB2F9}>

GreenTech Media: A Guide to the Water World

Want to invest in water but are mystified by it? In this three-part series, we break down the market like a big dose of chlorine... <http://www.greentechmedia.com/articles/a-guide-to-the-water-world-5180.html>

CBS MarketWatch: Water Innovations Alliance Launches

A leading group of entrepreneurs, investors and policy experts today announced the

launch of the Water Innovations Alliance -- an international trade association for emerging watertechnology companies and the organizations and communities they support -- during the fourth annual Lux Executive Summit.

<http://www.marketwatch.com/news/story/water-innovations-alliance-launches-support/story.aspx?guid={74A3EFBF-D9D5-4362-9A28-BB3AA48F384C}&dist=hppr>

THOMASNET: Siemens: Continued High Investment Potential in Water Business
Siemens continues to see favorable prospects in its water business despite the current economic downturn. "Urbanization and water shortage are long-term trends which will determine the need for water treatment and recycling solutions," explained Jens Wegmann... <http://news.thomasnet.com/companystory/553006>

Water firm at low ebb may be part of rising tide

Hartland - It seems ironic, perhaps, that the remnants of a company once known as the global leader in desalination - stripping salt out of seawater to make it drinkable - remains in business not far from the shores of Lake Michigan, in a freshwater region with no need for such technology... <http://www.jsonline.com/business/35240974.html>

KCI INVESTING: Water: The Overlooked Alt Energy

When you hear about alternative energy or renewables, most people immediately conjure images of solar panels, wind turbines, fuel cells and batteries. The one image that doesn't usually pop up right away is water, or hydro energy...

<http://www.kciinvesting.com/articles/9701/1/Water-The-Overlooked-Alt-Energy/Page1.html>

Note: We welcome submissions and press releases. You may send them to: info@waterinnovations.org

7. CALENDAR

WATER INNOVATIONS POLICY TOUR: March 2009, Washington, DC
Exact dates TBD

WATER INNOVATIONS FINANCE '09: May 18-19th, New York, NY
New York Marriott Downtown

WATER INNOVATIONS ALLIANCE ANNUAL SUMMIT: September 10-11th 2009,
Chicago, IL.

CONTACT US:

If you have any questions, suggestions, or submissions for the newsletter please do not

hesitate to contact us at:

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