To Invest, or Not to Invest? Water is the Question

Generally speaking, people are reactionary creatures, or in many cases ostriches with their heads in the sand, which of course ostriches don’t really do but maybe we do. Even if we can see something coming, if it hasn’t really affected us yet in ways we recognize it is human nature to pay attention to other things, especially if the nature of the problem and the solutions are not easy to wrap our brains around. Case in point: Climate change and environmental risks. The climate and environmental sciences are deeply rational; our approaches to dealing with climate and environmental risk are often, very often, anything but. However, some are starting to understand that things like natural resources may in fact be something to examine more deeply. For many businesses, water is a precious commodity, vital to the production of the goods we American ostriches love so much. Those that invest a lot of money for people are starting to wonder if companies like Nike and Coca-Cola are aware of their water use, and taking steps to make sure a (inevitable) decline in water availability will not harm their investors. Asset management companies are springing up to help investors assess whether portfolios will suffer from things such as drought, environmental change, tighter regulations, and re-distribution of water needs. Those using water risk as a filter when investing are hoping that it will force the ostriches out of the sand.

Yes, You too, Texas

On Friday, September 4, U.S. District Judge Ralph Erikson broke Texas’ heart when he stated that his injunction of the new Waters of the U.S. rule did not apply outside of the 13 named states. This means that Texas will be included in the 37 states where the EPA will enforce the expanded Waters rule. Texas Attorney General Ken Paxton had, until Friday, been under the impression that the injunction applied nationwide and had praised Judge Erikson’s decision. However, citing competing sovereign and judicial interests, Erikson declined to extend his ruling farther than the 13 states named in the original suit. Despite this, there is still a possibility that Texas and other states will not be subject to the rule. Texas, Louisiana, and Mississippi have filed their own suit challenging the rule as an attack on private property rights. The District judge granted a stay in that suit in mid-August pending a ruling on whether or not the EPA will be able to consolidate the
Contrary to the EPA’s claims that the rule does not increase its authority over U.S. water by a great percentage, Texas officials and private landowners believe that every stream, creek, brook, gully, and other terms for water, will be subject to the rule, thus subjecting its farmers and ranchers to permitting and government oversight of pollution from runoff despite their explicit exclusion within the rule.

No Slushies for Columbia
The citizens of Columbia, South Carolina, are not happy with their city’s spending habits. Specifically, they are upset that the city has been transferring revenues from water utilities to the General Fund to use for city expenditures in direct contravention of the general rule that revenues derived from a service or user fee should be put to financing said service. In other words, money from water bills should be used for water related things. Evidently, Columbia has budgeted $29 million in water revenues for economic development projects since 1999 and annually budgets a $4.5 million transfer of water revenues to the General Fund. The citizens sued, claiming that these transfers have driven up fees. The situation is compounded by the fact that, only a few years ago, EPA cited the city for failing to maintain its sewer system, which resulted in a hefty Clean Water Act settlement burden. The city was initially granted a summary judgment, but after an April appeal, the citizens of Columbia can tentatively say that they are able to read better than the city. On September 9 the South Carolina Supreme Court overturned the summary judgment, based largely on the city’s creative (read: ridiculous) interpretation of the aforementioned use-utility-bills-for-utilities rule. The Supreme Court pointed out that nowhere in these statutes does it provide for a slush fund. Sorry, Columbia.

Willy Wonka’s Water
OK, so it’s not as sweet as something Willy Wonka would concoct, but it definitely looks like something you would find in his candy land. An edible water bottle, “Ooho!”, just won Climate KIC’s Venture Competition, a competition created by the EU’s European Institute of Innovation and Technology. The little edible water glob’s designer, Pierre Paslier, describes it as man-made fruit due to its skin-like casing made from calcium chloride and a seaweed derivative called sodium alginate. Though perhaps a little messy, people are excited about the prospect of packaging that utilizes a simple culinary technique rather than the millions of barrels of oil used annually to make plastic bottles. With the advent of sacked liquids, maybe Canada will finally get some respect for its bagged milk. Or better yet, Capri Sun will figure out a way to make their juice drinkable. News of the edible bottles has been greeted with yawns by goats who already thought cans, bottles and everything else were edible. (We apologize to all other goats for perpetuating that myth).