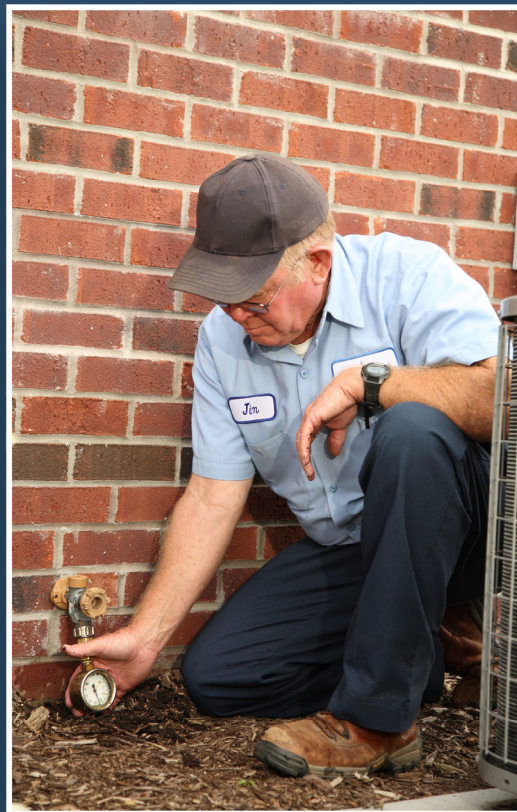


TRUST WATER



A Legacy of Service

The Origins of Private, Regulated Water Service Providers in America

Executive Summary

As the early infrastructure pioneers of modern regulated water and wastewater utilities, private, regulated water and wastewater providers have helped communities over generations to achieve public health improvements, support growing populations and sustain economic development through innovation and technical expertise, capital investment and a commitment to reliability.

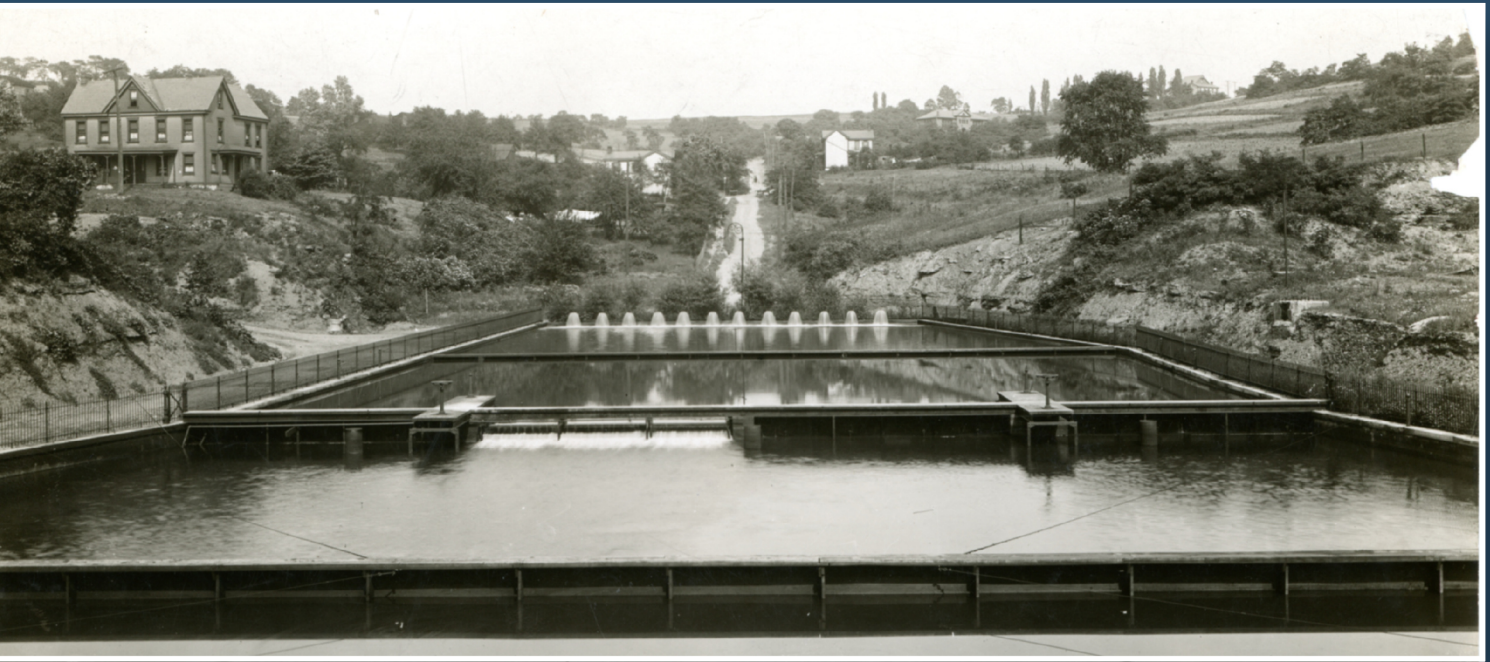
America's water systems have evolved through generations of investment, engineering advancement and more rigorous public oversight, with private, regulated water companies helping establish many of the centralized systems visible today. By organizing capital, developing sources of supply, applying the latest treatment methods and constructing distribution networks, these companies helped lay the foundation of water service in the United States.

As water and wastewater services became more complex, private, regulated providers adapted to comply with new public health protections and evolving regulatory requirements. Large private, regulated water and wastewater providers capable of providing the economies of scale, technical expertise and sustained capital investment emerged over time to support increasingly sophisticated infrastructure and operational compliance demands.

Today, private, regulated providers operate within rigorous public health and environmental regulatory frameworks. Aging infrastructure, emerging contaminants and water pollution control standards continue to drive investment needs across the water and wastewater sector. From early engineering of reservoirs and wooden distribution pipes to advanced, highly complex treatment facilities and modern distribution networks, private, regulated water providers have led the way in developing modern water and wastewater service throughout the United States.

Introduction

Early Water Infrastructure Development in the United States



The development of reliable water infrastructure was one of the foundational public works challenges of early American communities. Prior to the establishment of organized water systems, most residents relied on wells, springs and streams for daily water needs. While these sources often met the needs of smaller settlements, they provided limited capacity for growing populations, constrained economic development and offered little support for community-wide fire protection. As American cities and towns expanded during the eighteenth and nineteenth centuries, the need for more reliable and scalable water systems became increasingly apparent.

Private, regulated water companies emerged as an important response to these challenges. Early private, regulated water providers included the Newark Aqueduct Company, chartered in 1800; the Baltimore Water Company, which began supplying water in 1807; The York Water Company, incorporated in 1816; and the Berwick Water Company, incorporated in 1818.

According to the National Research Council, by 1850 the United States had 83 public water supplies, 50 of which were privately owned. By the beginning of the twentieth century, more than 3,000 water systems existed nationwide, with ownership divided almost equally between public and private, regulated providers.

Across the United States, water systems established during the nineteenth century helped transform growing towns into thriving communities. Many of these early water companies evolved alongside the communities they served and remain part of today's regulated water sector, providing a service legacy that spans more than a century and connects the nation's earliest waterworks to modern water infrastructure.



Terre Haute Water Works Main Station, 1912

Berwick Water Company
Pennsylvania (1818) →
Pennsylvania American Water

Purpose

Organized to provide a dependable community water source at a time when residents largely relied on wells and hand-carried water. The system evolved from wooden pipes to iron infrastructure, improving reliability, fire protection and support for local growth.

Evolution

Established in 1818 with a wooden-pipe distribution system, Berwick later upgraded to iron infrastructure and became part of Keystone Water Company in 1973. Today the system operates as part of Pennsylvania American Water.

Massillon Water Supply Company
Ohio (1853) → Aqua Ohio -
Essential Utilities

Purpose

Formed to provide reliable water service and fire protection for a growing manufacturing community. The company represented an early effort to move beyond wells and local water sources by building organized infrastructure capable of supporting urban and industrial development.

Evolution

Founded in 1853 to provide organized water service and fire protection, the system became part of a broader regional utility platform that today operates as Aqua Ohio, a subsidiary of Essential Utilities.

San Jose Water Works
California (1866) → San
Jose Water Company/H2O
America

Purpose

Established to address water shortages in a rapidly developing agricultural and commercial region. The company helped secure water supplies, develop distribution infrastructure and support the long-term growth of communities in California's Santa Clara Valley.

Evolution

Established in 1866 to support the growing communities of California's Santa Clara Valley, the utility evolved into today's San Jose Water Company and remains one of the oldest investor-owned water utilities in the western United States.

Terre Haute Water Works
Indiana (1871) →
Indiana American Water

Purpose

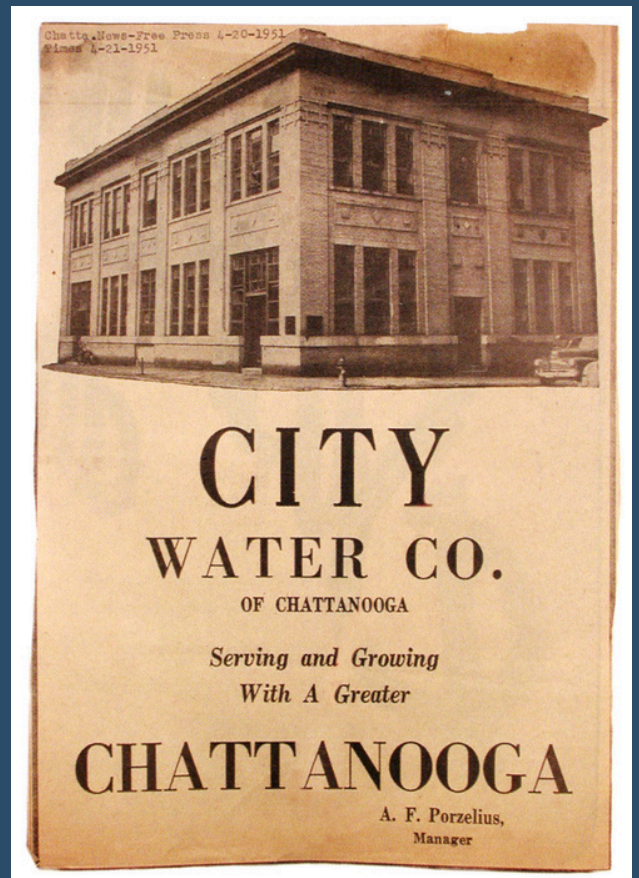
Created to provide an organized municipal water supply and dependable fire protection for a growing industrial community. They introduced pressurized water service and expanded infrastructure to support population growth, manufacturing and commercial development.

Evolution

Established in 1871 and placed into service in 1873, Terre Haute Water Works expanded alongside the city's industrial growth. The system became part of American Water Works and Electric Company in 1924 and is now operated by Indiana American Water.



Berwick Water Company Plant, 1920



Chattanooga City Water Company

Davenport Water Company
Iowa (1873) →
Iowa American Water

Purpose

Formed to deliver reliable water service, improve fire protection and reduce public health risks in a growing city. The company constructed mains, hydrants, reservoirs and pumping facilities that supported residential, commercial and industrial expansion.

Evolution

Beginning service in 1874, the provider expanded and became part of American Water Works and Electric Company in 1927. Today, the system operates as part of Iowa American Water.

Lexington Hydraulic & Manufacturing Company
Kentucky (1882) →
Kentucky American Water

Purpose

Business leaders sought to address the city's need for a reliable water supply and fire protection system. The company developed one of the region's first organized waterworks, helping support public safety, economic growth and the expansion of a growing city.

Evolution

Established in 1885, the company became Lexington Water Company in 1922 and Kentucky American Water in 1973. The utility has remained investor-owned since its establishment and continues to serve central Kentucky today.

Huntington Water Company
West Virginia (1887) →
West Virginia American Water

Purpose

Established during a period of rapid railroad and industrial expansion to provide organized water service for a growing river city. The system supported economic development, public health protection and community growth in one of West Virginia's emerging commercial centers.

Evolution

Created by ordinance in 1887 by which American Water Works became the city's water provider during West Virginia's industrial expansion. Ultimately, the system evolved into today's West Virginia American Water operations.

Chattanooga City Water Company
Tennessee (1887) →
Tennessee American Water

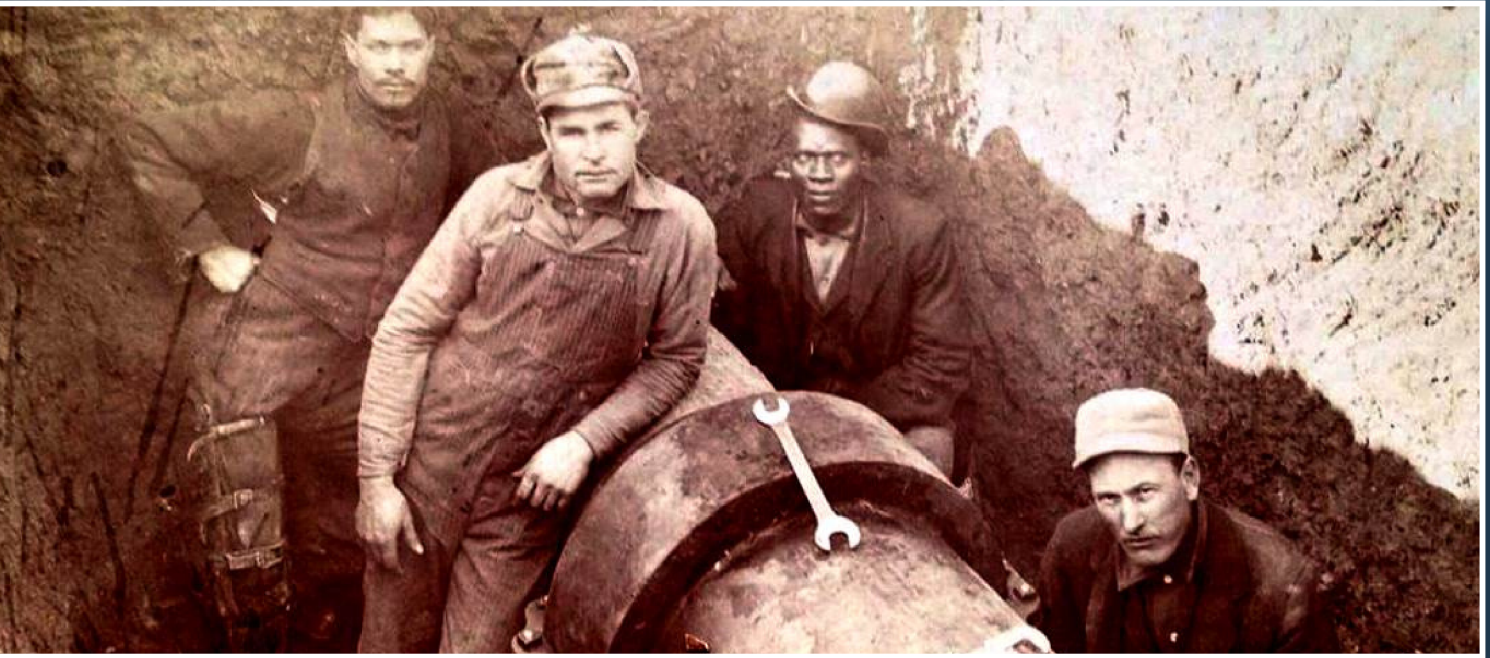
Purpose

Created to support a fast-growing transportation and manufacturing center that required a larger and more dependable water supply. The utility helped provide the infrastructure needed for industrial development, public safety and urban expansion.

Evolution

Founded in 1887, the utility became part of the American Water lineage and continues today through Tennessee American Water.

From System Builders to Solutions Providers



The early private, regulated water companies established during the eighteenth and nineteenth centuries were created to address immediate community needs, including reliable water supply, fire protection, public health and economic development. Companies such as Berwick Water Company, Davenport Water Company, Terre Haute Water Works, Lexington Hydraulic & Manufacturing Company and San Jose Water Works developed sources of supply, distribution infrastructure, pumping facilities and operating practices that helped communities transition from localized water access to organized private, regulated water service.

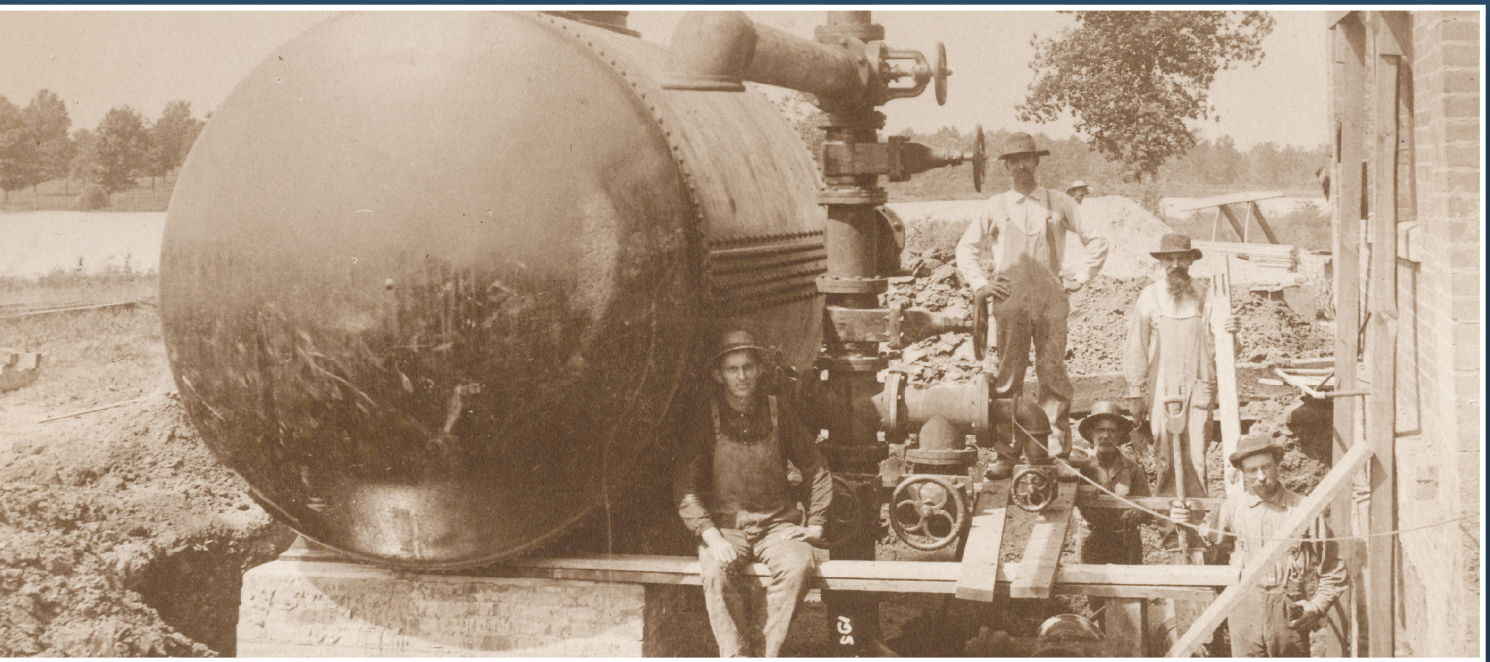
As communities expanded and expectations for water service evolved, the challenges facing water systems became increasingly complex. Utilities were expected not only to provide water, but also to improve public health outcomes, support industrialization and population growth, meet increasingly rigorous regulatory requirements, modernize aging infrastructure and address emerging environmental risks.

The Evolution of Private, Regulated Water Providers

The challenges facing water systems changed dramatically throughout the twentieth and twenty-first centuries. Private, regulated water providers evolved alongside those changes, developing solutions that addressed a variety of challenges. Across these successive eras, private, regulated water providers adapted their capabilities to meet changing community needs through investment, engineering innovation, operational specialization and long-term infrastructure stewardship. The following framework examines that evolution across five major eras of water-sector development.

	Sector Challenges	Private Provider Solutions	Regulatory and Policy Milestones
1915–1945: Public Health Era	• Rapid urban population growth • Recurring outbreaks of typhoid and cholera • Increasing expectations for water quality and system reliability	• Professionalization of water service • Expanded filtration and disinfection practices • Improved treatment facilities and system maintenance • Developed laboratory testing and specialized utility operations	• Chlorination became widely adopted across U.S. water systems around 1915. • Water treatment practices advanced significantly throughout the period. • By the 1940s, waterborne diseases in the largest U.S. cities had declined nearly 100-fold from 1910 levels.
1946–1973: Growth, Scale and Regional Expansion	• Postwar population growth • Rapid suburban expansion • Rising industrial water demand • Need for larger and more reliable utility systems	• Expanded water production and distribution infrastructure • Supported long-term capital planning • Standardized operations across growing service areas • Enhanced service reliability and operational efficiency	• State regulatory commissions expanded oversight of water utilities. • Regulatory frameworks increasingly focused on rates, service quality and prudent investment.
1974–1995: Federal Regulatory Era	• More extensive treatment and monitoring requirements • Expanded contaminant regulation • Increasing compliance and reporting obligations	• Developed treatment capabilities for new regulatory requirements • Strengthened compliance and monitoring programs • Leveraged regional operating capacity and engineering resources	• The Clean Water Act (1972) and Safe Drinking Water Act (1974) establish comprehensive federal water quality requirements. • The 1986 SDWA amendments expanded contaminant regulation. • Prohibition of lead pipes, solder and flux in new potable water plumbing.
1996–2018: Asset Management, Environmental Stewardship and Water Finance	• Aging infrastructure • Long-term capital investment needs • Source water protection concerns • Emerging focus on lead and disinfection byproducts • Increasing emphasis on health risk-based regulation	• Advanced asset management practices • Infrastructure renewal and replacement programs • Long-term capital planning • Water supply planning and source water protection strategies • Enhanced customer communications and customer relationship management platforms	• The 1996 SDWA amendments strengthened risk-based drinking water management. • Congress established the Drinking Water State Revolving Fund (DWSRF). • Federal financing programs expand support for infrastructure modernization and regulatory compliance.
2018–Present: Resilience, Emerging Contaminants and the Future of Water	• PFAS treatment requirements • Lead service line replacement • Cybersecurity threats • Climate resilience and extreme weather events • Affordability pressures • Workforce recruitment and retention	• Advanced treatment technologies • Risk management and resilience planning • Capital investment for infrastructure modernization • Emergency preparedness and response capabilities • Digital monitoring and operational systems	• EPA establishes national drinking water standards for PFAS. • Safe Drinking Water Act regulations now address more than 90 contaminants. • Lead and Copper Rule requirements are driving nationwide lead service line inventory and replacement programs.

Private Water Providers and the Regulatory Compact



Private, regulated water and wastewater providers own, operate and maintain water and wastewater utilities under oversight from state regulatory commissions, public health departments and environmental agencies. As part of the broader utility sector, these providers deliver essential services through a framework designed to balance customer interests, system performance and long-term infrastructure needs.

During the early twentieth century, states established utility regulatory frameworks that provided oversight of industries considered natural monopolies, including water, electricity, natural gas and telecommunications. Public utility commissions reviewed rates, service quality and investment plans, creating a consistent governance structure for utility operations across the United States. Over time, the framework helped establish enduring practices for utility management, capital investment and regulatory compliance that remain central to the water sector today.

As the demand for water service grew and treatment requirements became more sophisticated, private, regulated water providers invested in water supplies, treatment facilities, storage assets, distribution networks and source water protection programs. The regulatory framework provided a formal process for evaluating and supporting these investments, helping establish many of the planning, investment and operational practices that continue to guide utility management today. Ultimately, private, regulated water and wastewater providers helped pioneer a sustainable model of continued investment and regulatory compliance that became a defining feature of the modern utility industry.

Regionalization and the Evolution of Modern Water Service



The earliest water systems in the United States were largely local companies established to serve a single town, borough or city. As communities expanded and expectations for water service increased, many systems encountered challenges that extended beyond the capacity of small, independent service providers. Small systems originally designed to serve a single community increasingly required access to specialized engineering and technical knowledge, professional management and long-term capital investment.

Regionalization emerged as one response to these challenges. By combining systems and operating across broader geographic areas, private, regulated water providers could coordinate infrastructure planning, share specialized expertise and standardize operational practices, so that administrative and capital costs could be distributed across a larger customer base. By achieving greater economies of scale, private, regulated providers could better serve customers by more effectively invest in treatment plant upgrades, water quality and infrastructure rehabilitation that might otherwise have been difficult for smaller systems to accomplish independently.

Across the United States, many local water systems established during the nineteenth and early twentieth centuries gradually became part of broader regional organizations. The trend toward regionalization and growth of large private, regulated water and wastewater providers was not unique to any single utility or region. The underlying purpose of water service remained unchanged, but the complexity of delivering it increased substantially. Large providers met that moment with an approach that supported multiple communities under common management and oversight with the benefit of greater financial and technical resources.



Today, water system regionalization continues to play an important role in the delivery of water and wastewater service. Larger private, regulated water providers can deploy engineering, scientific, operational and financial resources across multiple systems while maintaining local service responsibilities. As communities confront the infrastructure challenges ahead, regionalization remains one of the approaches utilities use to improve capacity and system resilience.

The Enduring Contributions of Private, Regulated Water Providers

Capital Formation and Investment



Early private, regulated water companies organized capital to construct pipes, pumping facilities, reservoirs and treatment infrastructure. As systems matured, capital needs shifted toward main replacement, treatment upgrades, compliance investments, resilience improvements and comprehensive responses to address emerging contaminants and other evolving regulations.

Drinking Water Supply Development and Protection



Private, regulated providers developed, acquired and managed sources of supply, including springs, rivers, reservoirs, groundwater wells, rights-of-way and watershed assets. Developing and securing sources of supply were central to early system formation and remain essential to long-term system reliability and resilience combined with modern science in watershed stewardship and resource protection.

Technical Capacity and Operational Expertise



Private, regulated providers helped professionalize utility operations through engineering, treatment, laboratory testing, distribution management, maintenance practices and customer service systems. Today's private, regulated providers rely on operators, engineers, scientists, compliance professionals and customer service teams with decades of experience.

Economies of Scale



As water service became more technically and financially demanding, many local systems evolved into broader operating platforms. Regionalization and consolidation enabled private, regulated providers to share expertise, standardize operations, meet compliance goals, and deploy capital across multiple communities.

Long-term Stewardship



Private, regulated providers have supported water system stewardship through infrastructure renewal, treatment modernization, risk management, and long-term planning. This role continues today as communities face aging infrastructure, emerging contaminants, lead service line replacement, extreme weather events, cybersecurity risks and workforce constraints.

Conclusion

The Next Chapter of Water Infrastructure

The development of private, regulated water service in the United States reflects a broader history of how communities secured safe, reliable, and increasingly sophisticated water service. What began as localized systems serving basic distribution needs evolved into highly regulated providers responsible for public health protection, environmental compliance and long-term infrastructure investment. Private, regulated water providers played a role throughout that transition, contributing to the expansion of service, advancement of treatment technologies, implementation of regulatory standards, and sustained investment in critical infrastructure.

Today, water and wastewater utilities operate within one of the most complex periods in the modern history of the water sector. Maintaining reliable service requires addressing competing needs, aging infrastructure, evolving regulatory requirements, emerging contaminants, workforce development, and long-term investment in limited funding environment. The investment needed to renew and modernize the nation's drinking water and wastewater infrastructure is expected to exceed \$1 trillion dollars over the decades ahead.

For over two centuries, private, regulated providers have participated in the development, operation, and renewal of water infrastructure under rigorous public oversight and regulatory accountability. As communities continue to address the sector challenges that lie ahead, the experience of private, regulated water and wastewater service providers remains an essential resource for delivering safe, clean and reliable service.

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Trust in Water is a 501(C)(4) non-profit entity created to provide education about the role of private water and wastewater providers as trusted partners in delivering safe, clean, reliable, and sustainable water solutions to communities across America.