

Making the Business Case



KEY TAKEAWAYS

- Position climate action as solving business problems versus creating new ones.
- Build support through early conversations before formal proposals.
- Connect climate initiatives directly to what the business already values.
- Make it simple: use clear messages that busy decision-makers can grasp quickly.
- Map climate strategies onto existing priorities instead of creating separate initiatives.



INTRODUCTION

The water sector stands on the front lines of the climate crisis with intensifying storms, rising sea levels, and frequent droughts threatening water supplies, infrastructure, and essential services. While water managers recognize these risks, linking that awareness with how their organization can take practical steps to reduce climate pollution can be challenging.

Addressing climate change requires a collective response, and a single utility's impact may seem small. Yet as stewards of natural resources with deep community ties, water utilities are uniquely positioned to lead. Proactive climate action strengthens relationships, enhances reputations, and aligns with community goals while also improving financial stability, reducing risks, and ensuring long-term resilience. However, without a clear connection to core business priorities, climate initiatives can face resistance—not due to a lack of merit but because of poor timing or the lack of the right support.

Making the business case requires thoughtful preparation and broad engagement. Climate strategies should be introduced gradually, discussed collaboratively, and refined through collective input. Success depends on understanding decision-making dynamics, including who holds influence, how priorities are set, and how to introduce ideas in a way that feels natural rather than disruptive.

This briefing paper provides practical steps for utilities to build a compelling business case for climate action. It outlines how to highlight financial, operational, and risk-reduction benefits, foster internal buy-in, and position climate initiatives as an integrated priority that is driven from within rather than imposed from the outside.

ACTIVITIES AND ACTIONS

Shaping the Conversation Early

***Tip:** Before introducing a formal proposal, use low-stake opportunities like brown bag lunches, internal newsletters, or small-group discussions to socialize the key ideas and test responses.*

No major decision or policy emerges in isolation. Long before any formal climate action proposal is introduced, decision-makers and key influencers should already be familiar with its core ideas. This familiarity is fostered through informal discussions, cross-departmental collaboration, and steady exposure to climate concepts in routine operational and strategic conversations.

By weaving climate action into existing priorities early, it comes across as a logical progression rather than a disruptive burden. By the time a formal proposal is presented, stakeholders in finance, operations, capital planning, and engineering will understand how climate strategies advance their goals rather than competing with them.

The objective is not just to introduce an idea but to lay the groundwork necessary for it to take root and flourish.



Understanding the Decision-Making Landscape

Tip: *Conduct one-on-one conversations with department leads, senior advisors, and well-connected peers to understand their perspectives and build support behind the scenes.*

Successfully advancing a climate action agenda calls for more than rational arguments, as it requires knowing how decisions are made and who influences them and getting decision-makers to agree to the agenda. Every organization has its own internal dynamics, processes, and influential figures. Recognizing and adapting to these factors helps navigate the decision-making process and successfully make the business case.

As part of this preparation, it is important not only to identify formal decision-makers but also informal influencers whose opinions carry weight. Cultivating these influencers as champions can lend credibility and creates momentum that makes final approval a near-formality rather than a continuous debate.

Framing Climate Action and an Investment in Core Business Priorities

Tip: *Share case studies from peer utilities that demonstrate successful climate-smart investments alongside a demonstration of how similar strategies could deliver comparable benefits (e.g., cost savings, risk reduction, or efficiency gains) given your utility's operational and financial context.*

The strongest business cases present climate actions as solutions that help achieve a utility's core priorities rather than additional requirements to meet. Decision-makers are inclined to support climate action when it advances core business priorities like lowering operating costs, enhancing the utility's ability to fulfill its core mission, improving service reliability, and safeguarding against reputational, regulatory, and financial risks.

When framed as essential to financial health, risk management, and operational excellence, it becomes an opportunity rather than a burden.

Communicating with Precision and Persuasion

Tip: *Prepare a "key questions and opportunities" document that highlights the benefits of climate action, showcases opportunities, clarifies misconceptions, and addresses concerns like cost, feasibility, and competing priorities to keep discussions focused on solutions and value.*

How the case for climate action is presented is just as important as the underlying reasons. Decision-makers are busy and lengthy, jargon-filled messages often fail to resonate. Effective communication relies on clear and simple messages.

These messages should highlight the financial and operational benefits first. When possible, present these messages through storytelling techniques accompanied by compelling visuals. Be prepared to adapt and tailor the messages for different audiences, including finance teams, operations staff, and governing boards.

Finally, anticipating potential concerns before they are raised—whether about budget constraints, feasibility, or competing priorities—allows objections to be addressed proactively and keeps discussions focused on the value and benefit of climate action.



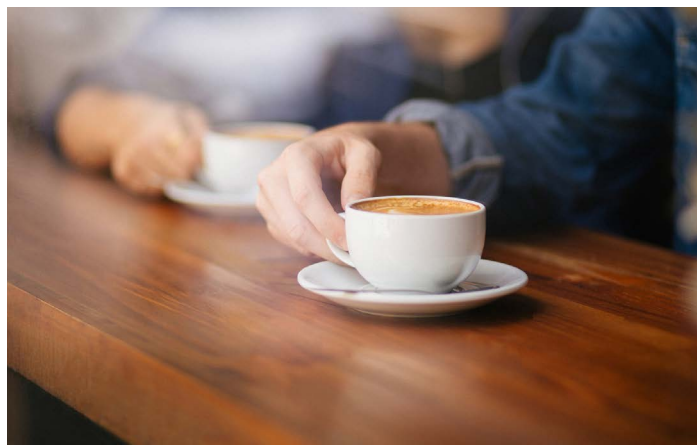
KEY CHALLENGES AND PRACTICAL SOLUTIONS

Superficial Stakeholder Engagement

Shaping the conversation before a decision is made requires more than early outreach—it demands genuine, ongoing engagement that builds real alignment over time. Too often, engagement is too late or appears transactional, leading stakeholders to feel like they are being asked to endorse a pre-determined plan rather than shape a shared solution. This may result in passive agreement in meetings but the withholding of active support when it counts.

Solutions:

- Hold informal, small-group discussions early, integrate climate topics into standing meetings and casual check-ins, and use insights to co-develop key proposal elements in collaboration with finance, operations, and planning teams.
- Illustrate with real-world case studies by showing how similar organizations tackled business challenges through climate action, helping stakeholders see clear relevance.
- Set up recurring stakeholder check-ins instead of one-off meetings and hold monthly or quarterly discussions to ensure continuous feedback and build momentum.
- Equip internal champions by providing talking points and data so advocates can reinforce climate strategies from within their teams.



Overlooking Synergies with Existing Initiatives

Organizations often frame climate action as a new, standalone effort and miss the opportunity to integrate it as an enhancer of existing programs and priorities. When viewed as another box to check, climate action risks feeling like an extra burden that competes for limited resources instead of something that enhances ongoing work—ultimately leading to it being deprioritized by already overburdened teams.

Solutions:

- Establish a “business first” climate audit by mapping climate strategies to existing financial, operational, and risk-management goals to uncover natural overlaps.
- Host a workshop on reframing climate strategies primarily through a financial and operational lens with the goal of minimizing sustainability jargon and clearly aligning proposals with core business needs.
- Analyze the financial and operational consequences of inaction (e.g., increasing utility costs or rising insurance and credit premiums) to highlight the hidden costs of delaying investments.
- Identify climate actions that offer immediate operational, financial, or risk-management benefits, positioning them as pragmatic, low-risk wins.
- Develop a set of short questions, asking things like, “Does this improve resilience, reduce costs, and/or enhance reliability?” to quickly test if a climate strategy or message aligns with organizational priorities.

When the Message is Clear to You but Not to Decision-Makers

Even well-crafted proposals can fail if they don't resonate with executive priorities or get lost among competing issues. Some leaders have limited bandwidth and must deliver short-term wins, which can make climate initiatives seem abstract, non-urgent, or "nice to have" rather than mission-critical.

Solutions:

- Distill one clear takeaway and ensure leaders walk away understanding the core business reason for action.
- Use the "two-sentence rule" for executives by concisely summarizing the business case in two sentences before elaborating on the details.
- Frame climate action as a competitive advantage by highlighting cost savings, reputation benefits, resilience gains, or regulatory positioning.
- Test messaging informally and float key points with trusted allies to refine communication before presenting to top decision-makers.

Poor Timing: When the Right Idea Comes at the Wrong Moment

Even the best-prepared climate initiatives can falter if they arrive before stakeholders are ready to act or after budgets and strategies have been set. Misalignment with planning cycles can cause climate initiatives to be overlooked or seen as disruptive.

Solutions:

- Build a decision calendar and map out key decision-making and policy cycles then time proposals for maximum relevance.
- Use events, peer actions, or regulatory signals to underscore the immediate need for climate action.
- Present climate strategies as solutions to pressing concerns (e.g., budget overruns or service reliability risks) so they are viewed as integral rather than optional.
- Anchor in current business challenges by connecting climate investments to financial pressures, regulatory risks, or operational inefficiencies already on an organization's radar.



UTILITY SPOTLIGHTS

Linking Net Zero Fundamentals to Business Value

The following examples, which are drawn from utility spotlights in the following briefing papers on Net Zero Fundamentals, demonstrate how utilities are advancing climate strategies by directly tying them back to core business priorities.

Fundamental	Organization	Business Justification
Leadership Commitments and Strategic Alignment	Denver Water	Positioned climate action as an investment in resilient infrastructure, reliable service delivery, and long-term cost control of energy expenses
Accountability, Staffing, and Organizational Culture	Northeast Ohio Regional Sewer District	Used workforce engagement in climate action as a driver of employee retention, talent attraction, and bottom-up innovation aligned with utility priorities.
Partnerships and Collaboration	The Metropolitan Council	Collaborated with regional partners to implement renewable energy projects that delivered long-term energy value without increasing rates.
GHG Inventory, Target Setting, and Transparency	The Metropolitan Water District of Southern California	Established a carbon budget and transparency framework to stay ahead of regulations and guide financially responsible climate decisions
Developing and Implementing a Climate Action Plan	Valley Water	Used data-driven analysis to shape a climate plan that reduced emissions while optimizing energy use and meeting emerging climate regulations.
Integrating GHG Reductions in Capital Planning	New York City Department of Environmental Protection	Embedded energy efficiency into capital projects, reducing operational costs and aligning with long-term asset management goals.
Reducing Direct GHG Emissions	Columbus Division of Sewerage and Drainage	Improved energy recovery while increasing system reliability and reducing health/safety risks—resulting in both cost savings and risk mitigation.
	Metropolitan Water Reclamation District of Greater Chicago	Leveraged real-time monitoring of process emissions to continuously improve plant performance, meet permit requirements, and reduce direct GHG emissions.
Reducing Purchased Energy GHG Emissions	Miami-Dade County Water and Sewer Department	Deployed on-site renewables and energy efficiency upgrades to cut energy costs and enhance service reliability.
Reducing Value Chain GHG Emissions	King County Wastewater Treatment Division	Managed project costs by selecting low-carbon materials and designing projects to minimize overall material consumption.
Community and Ecological wCo-Benefits	Madison Metropolitan Sewerage District	Avoided costly infrastructure expansion by meeting regulatory goals through nature-based solutions, strengthening community ties in the process.

ADDITIONAL RESOURCES AND REFERENCES

For additional guidance, consider exploring best practices in developing strategic alignment around climate goals, gaining leadership commitment to net-zero or other reduction targets, and integrating climate targets into organizational strategy.

1. The Alliance for Sustainability Leadership in Education's [Making the Business Case for Sustainability](#) guides sustainability leaders in aligning sustainability with institutional priorities, influencing senior leadership, and driving systemic change.
2. The Environmental Defense Fund's [Net Zero Action Accelerator](#) provides tools to help companies turn climate goals into action, and their "[Building the Business Case](#)" series highlights the business benefits of climate action through videos and toolkits.
3. The World Business Council for Sustainable Development's [Building the Business Case for Sustainability](#) provides a practical guide for integrating sustainability into business operations, linking sustainability initiatives to financial and intangible drivers to help companies develop actionable strategies.

This paper is part of Net Zero Fundamentals, a collection of action-oriented briefs designed to help water and wastewater utilities cut climate pollution and chart a clear path to net zero. Each brief delivers practical insights, real-world utility examples, and implementation guidance for immediate impact. Access the collection of briefing papers on the US Water Alliance [website](#).



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