

H2Oscore Pushes Water Conservation Via Software, Utilities, and Beer

Jeff Engel 1/3/14

http://www.xconomy.com/wisconsin/2014/01/03/h2oscore-pushes-water-conservation-via-software-utilities-beer/?single_page=true

It can be challenging enough to change water consumption habits built up over years, like leaving the faucet running while brushing one's teeth or taking long showers.

Now try encouraging conservation in a water-rich area like Milwaukee, nestled against the largest collection of fresh water bodies on Earth.

That's the task McGee Young is tackling with his Milwaukee software startup, **H2Oscore**, which forms partnerships with municipal water utilities to help homeowners and businesses track their water use and earn virtual rewards.

Young founded H2Oscore in 2011, and last year it was accepted into The Water Council's seed accelerator program for water technology startups. The Water Council is a Milwaukee-based organization intent on making southeastern Wisconsin the world capital of fresh water research, education and economic development. (This is the second in a series of profiles of companies in the sector. Read **[Xconomy's profile of Microbe Detectives, another Milwaukee water tech startup, here.](#)**)

H2Oscore's online portal lets users compare their water usage to a baseline from past billing cycles, and for every gallon of water saved, they earn a virtual penny. Their virtual dollars accrue and can be redeemed for gift certificates with local businesses.

H2Oscore also offers tips for conserving water, from taking shorter showers to installing a more efficient showerhead.

By 2025, some 1.8 billion people are expected to face a **[water shortage](#)**. Young believes his startup can be part of the solution to one of our most daunting and vital global crises.

"Managing our water resources is going to be the biggest public policy challenge that we face in our lifetime," said Young, a Marquette University associate professor of political science. "As a

ATTACHMENT J

political scientist, there's nothing more rewarding than being able to work on solving that policy challenge."

Young's passion for preserving the environment was instilled in him by his mother, Linda, who ran the Florida Clean Water Network and used to publish a monthly environmental newspaper called the Pro Earth Times, he said. While growing up in Pensacola, Young and his sisters helped deliver the paper all over north Florida.

Young went on to start environmental clubs at Gulf Breeze High School and while studying at New College of Florida in Sarasota, he said. As a political scientist he has written policy papers about the Clean Water Act and environmental advocacy issues.

In 2011, students in Young's environmental politics class at Marquette brainstormed ideas to help people understand how much water they use. That broad concept, along with a [local newspaper article](#) that used public records to compare water use in different neighborhoods, inspired Young to develop H2Oscore. He and a few of his students participated in a hackathon in downtown Milwaukee and built H2Oscore's demo website during the weekend. (One of those students is still on the company's staff.)

The hackathon experience made Young feel like his idea had legs, he said. He has so far raised \$150,000 from family, friends, and his own investment, plus a \$50,000 grant from the Wisconsin Economic Development Corp. through the seed accelerator program. H2Oscore is now housed in The Water Council's Global Water Center near downtown Milwaukee.

Young said he is currently raising more funds for a financing round that he hopes to close in early 2014.

H2Oscore tested its software with a pilot program in Whitewater, WI, located about 55 miles southwest of Milwaukee. In 18 months, 150 houses cut their water use by 32 percent, from an average of 160 gallons per day to 109 gallons per day, Young said.

The startup now has contracts with the Wisconsin cities of Grafton, Menomonie, Milwaukee, Waukesha, and Whitewater.

Dean Amhaus, president and CEO of The Water Council, thinks southeastern Wisconsin is an ideal location for H2Oscore to prove itself. On one hand, there is Milwaukee, a major metro area with an abundant source of fresh water in Lake Michigan—and, therefore, a bigger challenge in

selling residents on the need to buckle down on water conservation. And one county west, there is Waukesha, which has clean-water supply problems and is seeking approval to [divert water from nearby sources](#).

“I think being able to perfect [H2Oscore’s] system and their message and their marketing and brand, demonstrate that it actually works in areas where we’re not water poor, then you can really take it across the country and across the world,” Amhaus said. “If you can make it happen and work in the Milwaukee area, you’ll be able to do it elsewhere.”



McGee Young

That’s at the top of Young’s agenda in 2014. He has an ambitious goal of expanding H2Oscore’s software to 40 cities this year in the U.S., Canada, and Australia. He’s even had a phone conversation with officials in Ireland, he said.

It won’t be easy. H2Oscore has at least one major competitor, San Francisco-based [WaterSmart Software](#), which has contracts with utilities in California, Colorado, and Texas, and a big head start in funding. WaterSmart has raised \$6.9 million in three funding rounds, [Bloomberg reported](#).

H2Oscore is getting a boost from MillerCoors, the Chicago-based joint venture with eight breweries around the country, including Milwaukee. Young has bounced ideas for H2Oscore off of Kim Marotta, director of sustainability at MillerCoors, since his startup’s early days, he said.

Now MillerCoors is taking a more active role by opening doors for H2Oscore in areas around the country where the brewer has a presence, facilitating and encouraging conversations between the startup and local utilities. Thus far, MillerCoors has connected H2Oscore to potential partners near its breweries in Irwindale, CA, and Fort Worth, TX.

MillerCoors says it has worked to reduce water use [throughout its brewing process](#), and support of companies like H2Oscore is a way to extend its sustainability efforts beyond its breweries. What’s more, MillerCoors officials see promise in H2Oscore’s concept and initial results, said Marco Ugarte, the brewer’s sustainability manager for energy and water stewardship projects.

ATTACHMENT J

“This is really an opportunity—sometimes uncharted territory for companies like us—to better engage a community, to better understand our shared challenges,” Ugarte said. “We want to provide momentum to an innovative idea that can have a positive impact in the communities.”

Jeff Engel is the editor of Xconomy Wisconsin. Email: jengel@xconomy.com
