
Section Three: Market Components

3.1 Air Pollution Control

The Air Pollution Control segment can be divided into mobile sources and stationary sources. Mobile sources, mainly vehicles, account for 65 percent of air pollution control expenditures.

The category of stationary sources is felt to offer the most significant opportunity. This segment encompasses some 26 thousand industrial and utility facilities which each emit more than 100 annual tons of air pollutants annually. The recent amendments to the Clean Air Act, which come increasingly into play until their full implementation in 2005, are expected to generate \$25-35 billion in annual spending as organizations attempt to adhere to its requirements.¹

While virtually all industry sectors will be affected, the majority of air pollution control spending will take place, in descending order, within the petroleum and coal, primary metal, chemical, paper, transportation and food industries. Main problem areas include air toxins, acid rain, greenhouse gases, incineration emissions, factory emissions, and clean coal development. Markets for scrubbers, oxidation systems, air monitoring services, and related areas will grow at 20 percent for several years.

3.2 Water and Wastewater Treatment

The Water and Wastewater Management field can be divided into two segments, namely:

- the treatment of wastewater; and
- the development of drinking water supplies.

The annual spending levels on water and wastewater treatment are segmented approximately 20 percent on private capital spending, 24 percent on private operating spending, 32 percent on government capital spending, and 24 percent on government operating spending.

¹ Paul Protney, an American economist, estimates that the costs of the 1990 Clean Air Act may be \$29-36 billion a year, in exchange for benefits of \$6-25 billion. The difference rests in legal fees, costs of delay, and other inefficiencies.