UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 7, 2018

ENERGY RECOVERY, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-34112**	**01-0616867**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1717 Doolittle Drive, San Leandro, California 94577
(Address if Principal Executive Offices) (Zip Code)

510-483-7370
(Registrant's telephone number, including area code)

Not applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01 Regulation FD Disclosure.

The Company is furnishing with this report an investor presentation that will be used by the Company during meetings with investors and analysts. The presentation is attached hereto as Exhibit 99.1, which is incorporated herein by reference and will also be posted on our website at http://www.energyrecovery.com.

The Company is not undertaking to update this presentation. This report is not intended as a statement concerning the materiality of any information contained in the presentation.

The information furnished in this Item 7.01 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Management Presentation

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 7, 2018

Energy Recovery, Inc.

By: /s/ William Yeung
William Yeung
General Counsel

Exhibit 99.1

ERI INVESTOR PRESENTATION

(NASDAQ: ERII)

2018

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FORWARD LOOKING STATEMENT

This presentation contains forward-looking statements within the "Safe Harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this report include, but are not limited to, statements about our expectations, objectives, anticipations, plans, hopes, beliefs, intentions, or strategies regarding the future. Forward-looking statements that represent our current expectations about future events are based on assumptions and involve risks and uncertainties. If the risks or uncertainties occur or the assumptions prove incorrect, then our results may differ materially from those set forth or implied by the forward-looking statements. Our forward-looking statements are not guarantees of future performance or events. Words such as "expects," "anticipates," "believes," "estimates," variations of such words, and similar expressions are also intended to identify such forward-looking statements.

These forward-looking statements are subject to risks, uncertainties, and assumptions that are difficult to predict; therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. You should not place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date of this presentation. All forward-looking statements included in this presentation are subject to certain risks and uncertainties, which could cause actual results to differ materially from those projected in the forward-looking statements, as disclosed from time to time in our reports on Forms 10-K, 10-Q, and 8-K as well as in our Annual Reports to Stockholders and, if necessary, updated in our quarterly reports on Form 10 Q or in other filings. We assume no obligation to update any such forward-looking statements. It is important to note that our actual results could differ materially from the results set forth or implied by our forward-looking statements.

Who We Are

An energy solutions provider and technology leader in applying fluid dynamics and advanced materials science

Pressure Energy is our Arbitrage

What We Do/Product Strategy

- Create markets to preserve or eliminate pumps that are subject to and destroyed by hostile process fluids
- Convert wasted pressure energy into a reusable asset

MATERIAL SCIENCE ARBITRAGE – PUMP PRESERVATION

Status Quo Challenge

Typical pumps present design and material composition challenges:

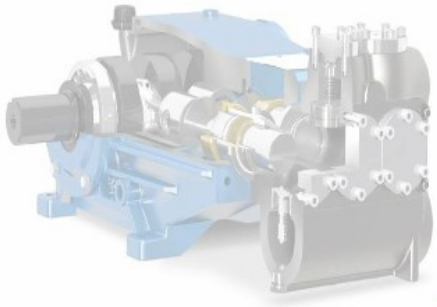
- Multiple moving parts, multiple potential points of failure
- Components chiefly comprised of alloys, coated alloys and polymers

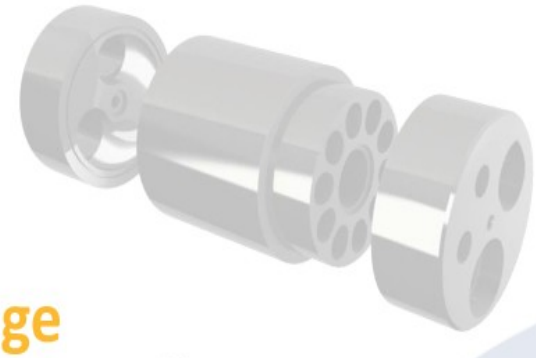
Susceptible to abrasion, erosion, fatigue and corrosion

Pressure Exchanger Advantage

The pressure exchanger is elegant in design and robust in material composition:

- One moving part (rotor)
- Components are cermet (tungsten carbide)
- Hybrid bearing technology (hydrostatic and hydrodynamic)





Value Arbitrage

Design and Material Science Superiority Yields:

- Increased life expectancy
- Increased reliability
- Lower R&M expenses
- Lower CAPEX (less required redundancy)

PRESSURE ENERGY RECYCLING - CONVERT WASTED PRESSURE TO ELECTRICITY

Status Quo Challenge

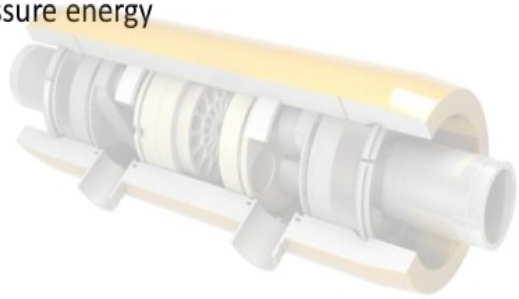
Pressure energy is being needlessly wasted:

- Dissipation of energy through valves, chokes or geological mass wastes valuable energy
- Wasted pressure energy = wasted electricity and $$$

Pressure Exchanger Advantage

We recycle otherwise wasted pressure energy:

- Pressure energy can be recovered and utilized to pressurize other fluids or create electricity
- Our energy recovery devices are capable of transferring up to 99% of a stream's pressure energy



Value Arbitrage

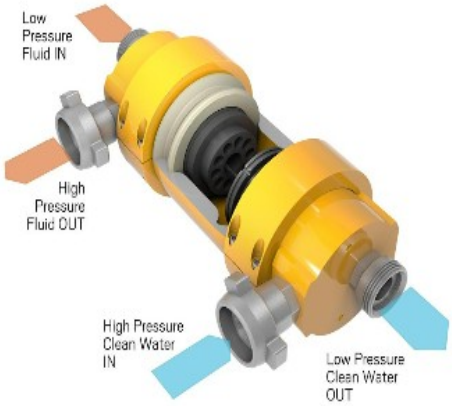
Pressure Energy Recycling Yields:

- Less specific energy consumed
- Less pumping capacity required
- Increased process reliability

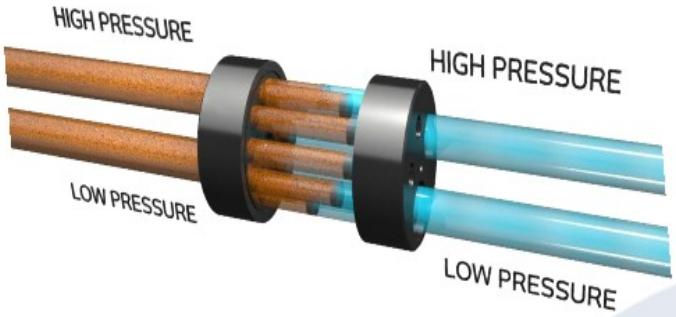
CORE TECHNOLOGY – THE PRESSURE EXCHANGER

Hydraulic Piston Concept

Fluid Flows in Pressure Exchanger

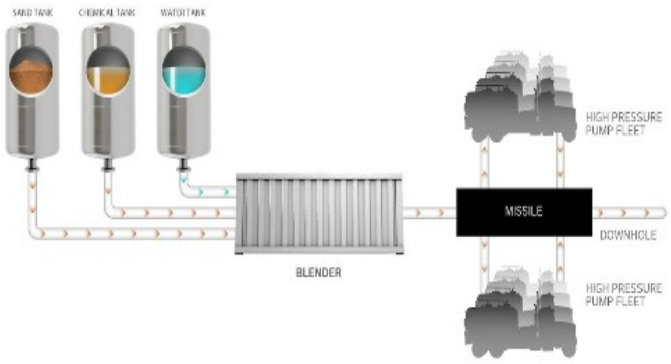


Pressure Exchange Snapshot

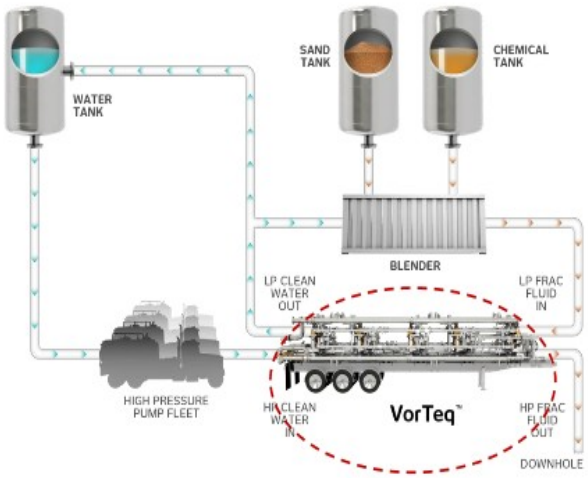


PUMP PRESERVATION – PRESSURE PUMPING

Status Quo



With VorTeq



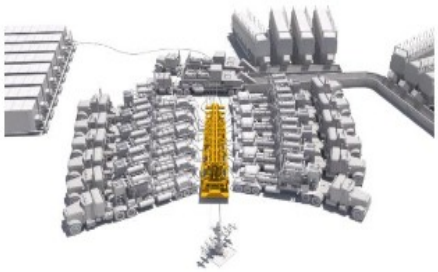
NO SAND OR CHEMICALS ENTER THE PUMPS

PUMP PRESERVATION – VORTEQ CREATES SIGNIFICANT VALUE

Status Quo

Existing Pumping Model with 15 to 20 PD Pumps

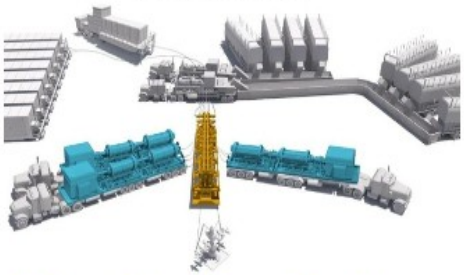
With VorTeq



1. **Reduced Maintenance:** $3M to $4M p/yr p/fleet*
2. **Decreased Pump Redundancy / Lower CAPEX:** $1M to $2M p/yr p/fleet*

Centrifugal Pump Model

New Pumping Model with 4 to 5 Centrifugal Pumps



3. **Centrifugal Pump Model** $8M to $12M p/yr p/fleet*

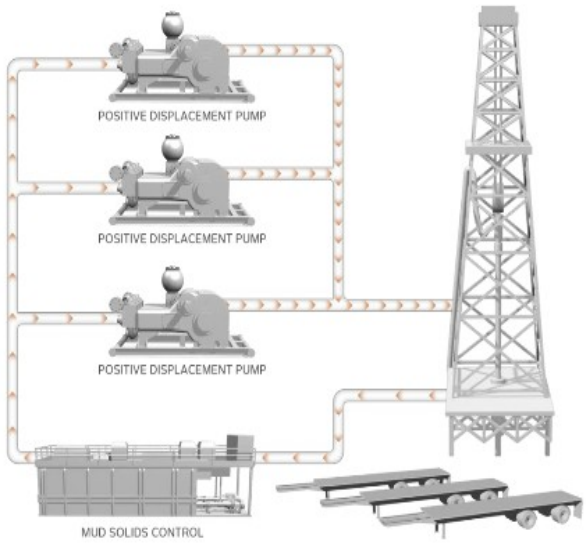
*ERI estimates

Commercialization is twofold:

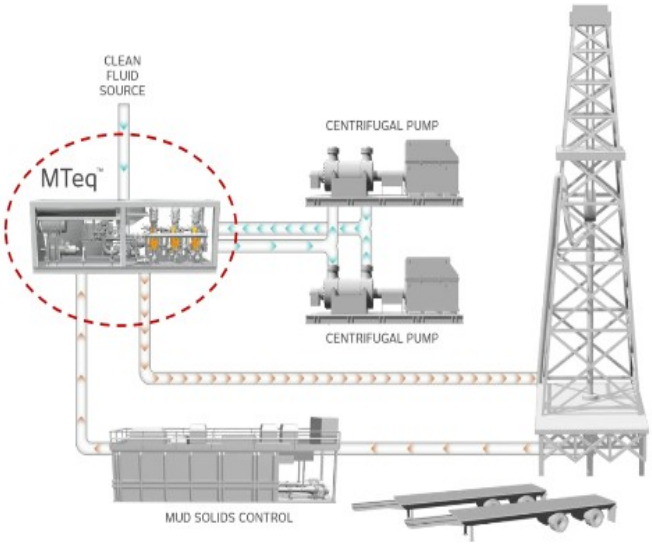
- **Schlumberger Licensing Agreement**
  - Acceptance standards inclusive of M1 & M2 as well as other performance tests
  - SLB responsible for missile manufacturing, ERII to provide PXs, housing and motors
  - Five years from first unit to full deployment of SLB fleet
  - $1.5MM per VorTeq per year
- **Liberty has rights for up to 20 VorTeq units**
  - ERII provides full missile and cartridges – vendors have been qualified
  - Pricing based on contractual ROIC
  - Performance standards differ and thus speed to market may be faster

PUMP PRESERVATION – MTEQ MUD PUMPING SOLUTION

Status Quo



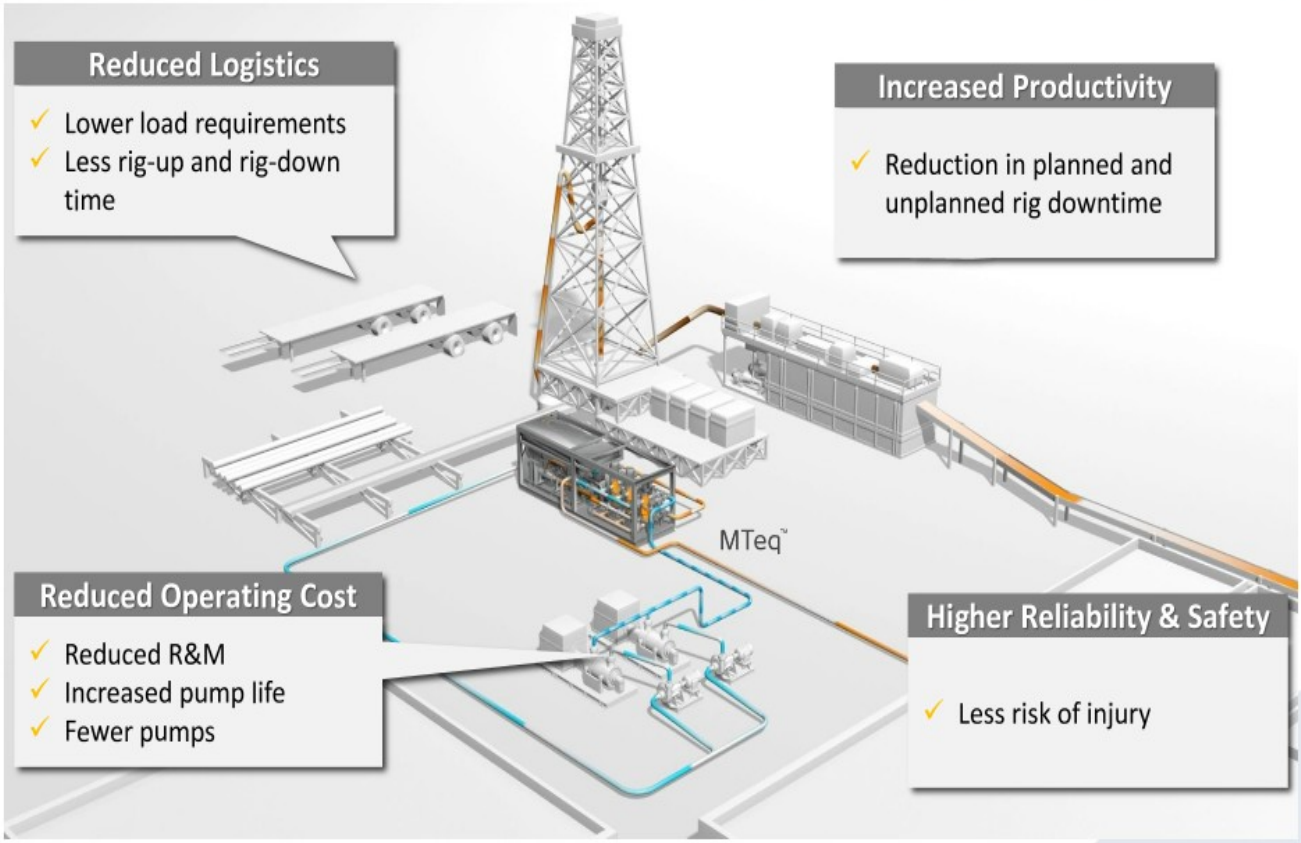
With MTeq



NO MUD PASSES THROUGH THE PUMPS

PUMP PRESERVATION – MTEQ UNLOCKS VALUE FOR OPERATORS

Drilling Configuration with MTeq & Centrifugal Pumps



SAVINGS UP TO $600K PER RIG PER ANNUM*

*ERI estimates

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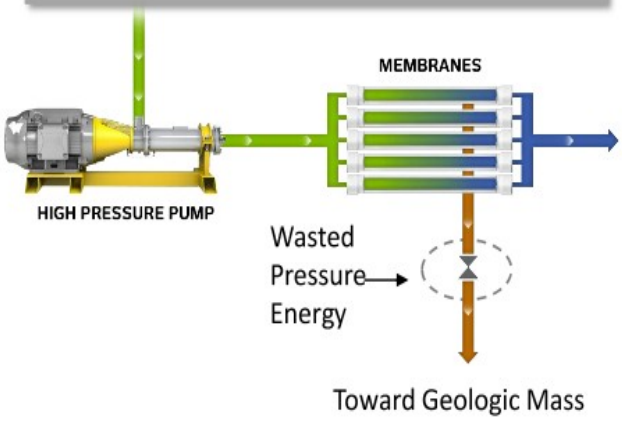
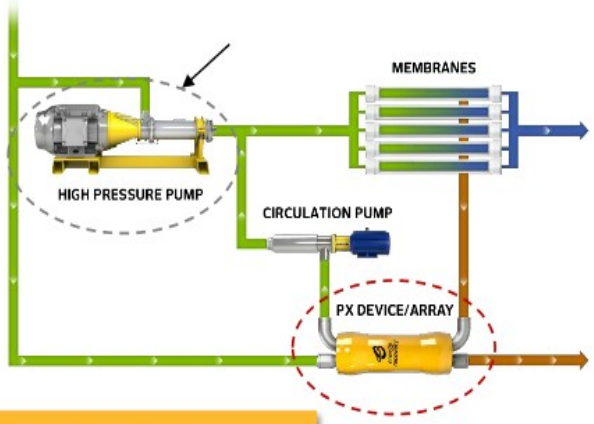
Dominating the Energy Recycling Market in Desalination – Our First Market Disrupted

Status Quo



With Pressure Exchanger

60% reduction in size and subsequent energy reduction



Investment Highlights

- From first sale to 90% market share in under 10 years*
- 18,000 PX devices installed worldwide
- Up to 25-year life with virtually no maintenance
- 60%+ gross margins

*MPD market share only

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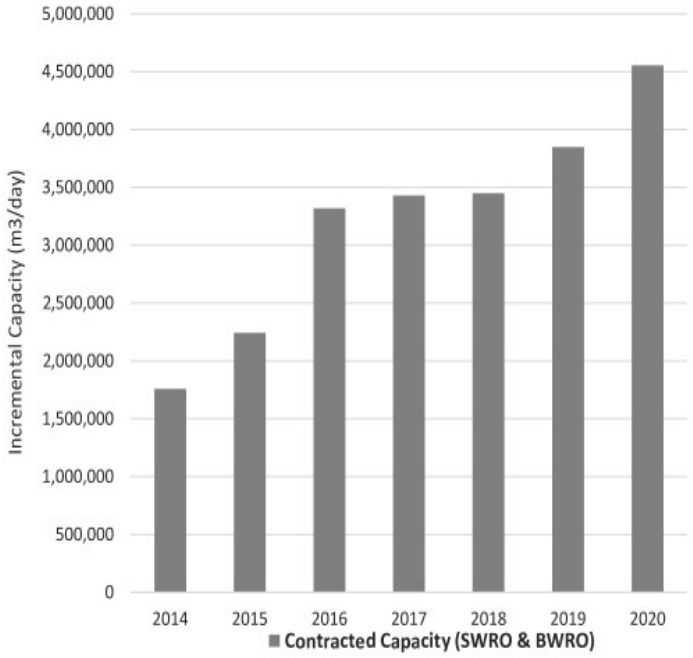
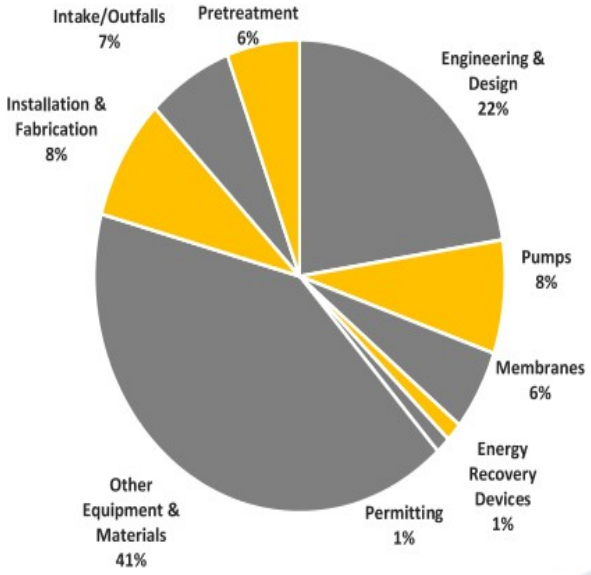
DESALINATION – INDUSTRY GROWTH PROJECTIONS

Steady Forecast for Capacity Additions in Desalination Over Next Several Years



Opportunity for Growth & Expansion Beyond ERDs & Pumps



COMPELLING MARKET OPPORTUNITY WITH CONTINUED GLOBAL WATER DEMAND / SUPPLY GAP

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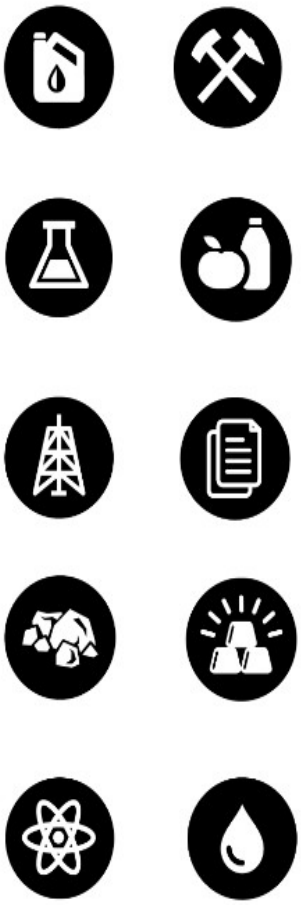
Source: DesalData Forecasts

INDUSTRY AGNOSTIC R&D ALLOCATION PROCESS



What criteria qualifies a market opportunity?

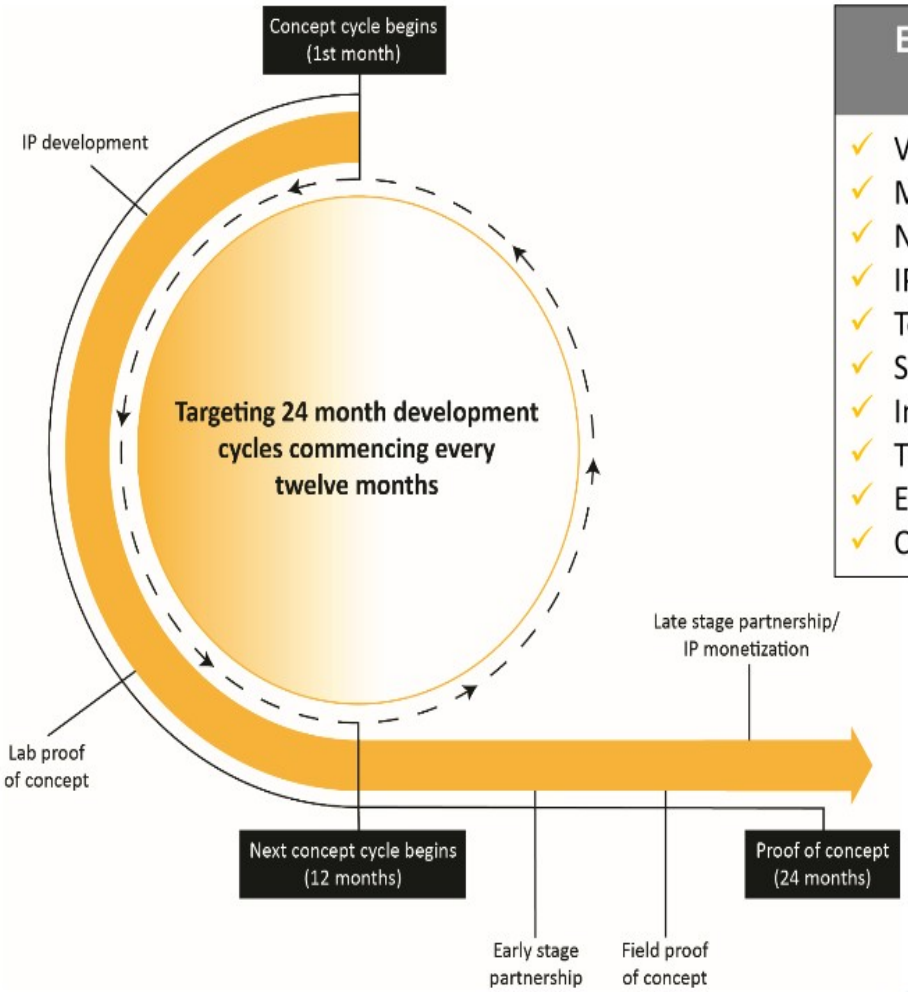
- ✓ High rates of flow
- ✓ High pressure differentials
- ✓ High capital intensity
- ✓ Hostile process fluids

Fracing

Upstream Drilling

Desalination

EXECUTION OF STRATEGIC R&D

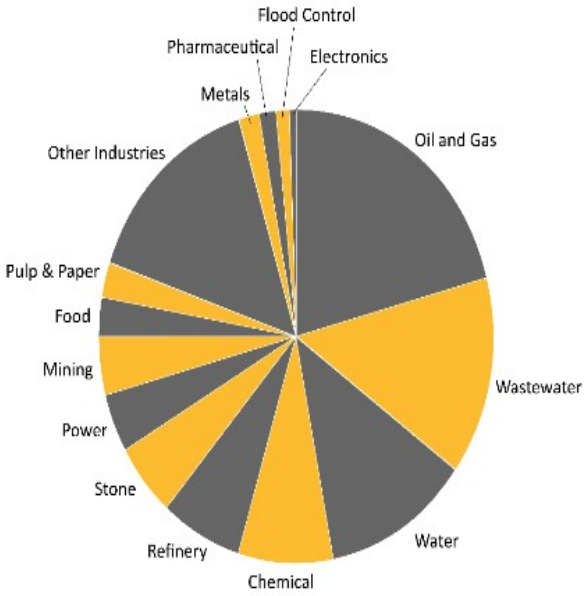


Evaluation Criteria to Determine Funding

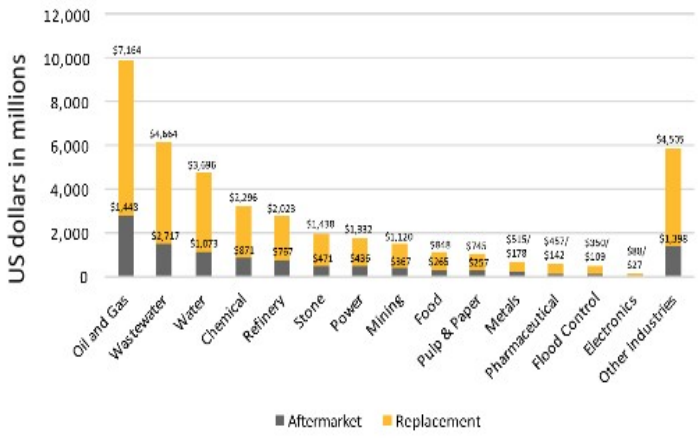
- ✓ Value to Customer
- ✓ Market Size
- ✓ Net Present Value
- ✓ IP Potential
- ✓ Technical Difficulty
- ✓ Strategic Fit
- ✓ Internal Competency
- ✓ Time to Market
- ✓ Ease of Entry
- ✓ Concept Uniqueness

DISRUPTING GLOBAL PUMPING MARKET

Global Pumping Market Exceeded $53B in 2017



Significant Arbitrage Opportunity in the Pumping Market



- Pump aftermarket components cost industries $9 billion in 2017
- Replacement pump sales exceed $25 billion in 2017

PUMP PRESERVATION OPPORTUNITY EXCEEDS $4B PER ANNUM

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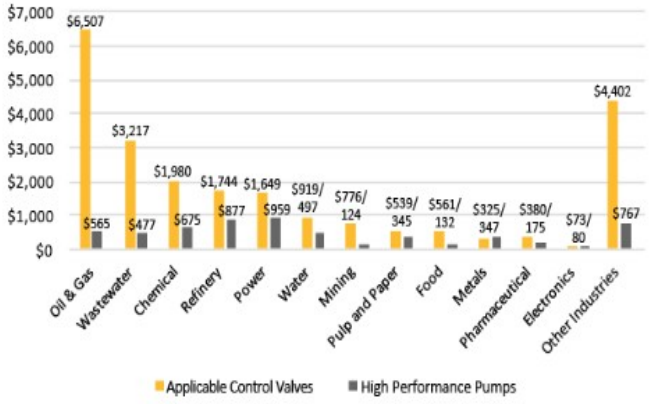
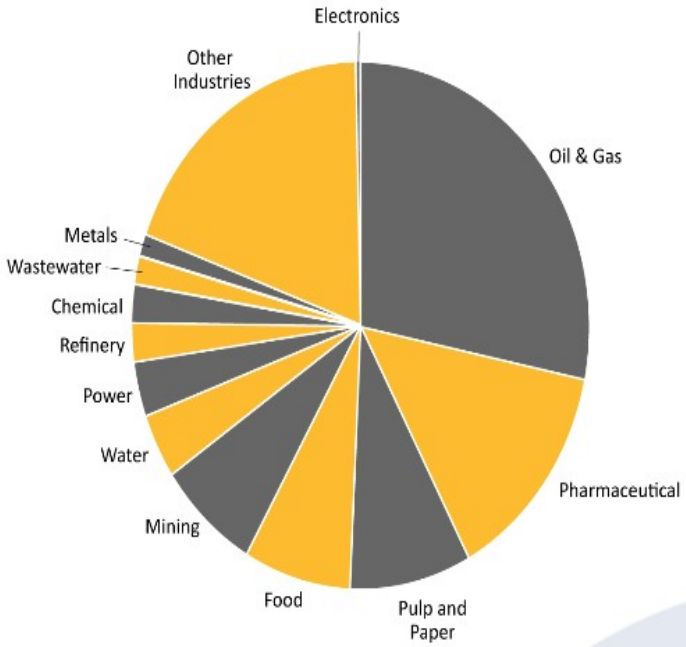
Source: McIlvaine Pump Report and Management Estimates

WASTED PRESSURE ENERGY MARKET OPPORTUNITY

Energy Recovery Devices Target Control Valve and High Performance Pump Applications



Wasted Pressure Energy Opportunity in Excess of $5.5B in 2017



TOTAL MARKET OPPORTUNITY IS SEVERAL ORDERS OF MAGNITUDE GREATER THAN COMPANY REVENUES

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Source: McIlvaine Pump Report and Management Estimates

UBIQUITOUS TECHNOLOGY → GROWTH

Future
Derivative
Applications

Water Business Provides Funding Mechanism for Future R&D

Annual R&D Spend:

- **$9.7MM** (27.5% of OPEX) in 2014
- **$7.7MM** (20.5% of OPEX) in 2015
- **$10.1MM** (27.8% of OPEX) in 2016
- **$13.4MM** (32.9% of OPEX) in 2017

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THANK YOU
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