

**NEWS** 

93 West Main Street, Clinton, CT 06413

## Connecticut Water Continues Investing in Drinking Water Infrastructure \$185 Million Invested over last 10 Years

**CLINTON, CONNECTICUT, March 16, 2017** -- Connecticut Water continues to do its part to maintain water system infrastructure to deliver safe, dependable drinking water. In 2016, more than \$60 million was invested in water treatment, aging pipeline replacement, cyber security, and other improvement projects. In 2017, the Company plans to spend \$46.7 million to continue enhancing system reliability, water quality, public fire protection, and protecting sensitive data.

A report issued last week by the American Society of Civil Engineers on the nation's infrastructure reaffirmed the need to invest in drinking water infrastructure. Craig C. Patla, Connecticut Water's vice president of Service Delivery, stated, "Connecticut Water is at the forefront in replacing aging water infrastructure. The Company has invested \$185 million, or nearly \$2,000 per customer, over the past 10 years. We understand that our existing water systems will be relied on to serve families and communities into the future."

In 2016 the company upgraded more than 15.1 miles of old water mains across the state, some close to 100 years old, at a cost of \$16.9 million through the Water Infrastructure and Conservation Adjustment (WICA) program. Since the inception of WICA in 2008, Connecticut Water has replaced more than 100 miles of old and undersized water mains, or more than 6% of its distribution system. The company has a goal to achieve a 100 year replacement cycle for water mains. The pipe replaced had an average age of 75 years. Overall, \$122 million has been invested through WICA over the past 9 years.

"This improves reliability and water quality, reduces lost water through leaks and breaks, and can improve the amount of water available to fire hydrants on the system," stated Mr. Patla. He added, "The WICA water main replacement work also creates local construction related jobs in the Company's service areas. An analysis done by the Connecticut Department of Economic and Community Development estimates that our investment of \$16.9 million in the 2016 WICA program supported 176 jobs in Connecticut. The costs of these projects are covered through modest surcharges on customer bills that allow the Company to replace aging pipe on a programmatic basis and begin to recover the cost as the new infrastructure is placed in service to serve customers." Mr. Patla further stated, "Our state legislators and the Public Utilities Regulatory Authority deserve credit for having the foresight to enable infrastructure replacement through a program such as WICA."

In addition, in 2016, the capital investment funded an ongoing cyber security initiative designed to protect sensitive data on the Company's computer systems. The 2016 budget also included a major treatment upgrade to the Rockville water treatment facility in Connecticut Water's largest water system, which serves more than 36,000 customers in north central Connecticut, the upgrades to the Rockville facility are nearing completion and will be in service for the benefit of customers this year. The Rockville facility is Connecticut Water's oldest surface water treatment

plant and has been in service since 1970. This new treatment technology will ensure the Company can continue to deliver a reliable supply of high-quality water that meets drinking water standards for current and future customers.

The 2017 capital plan provides for the completion of the upgrade at the Rockville water treatment facility. Also included in the 2017 capital plan is nearly \$17 million for aging water main replacement through the WICA program. Nearly 20 WICA projects are planned across the state.

The Company recognizes that these investments are ultimately reflected in customers' rates but considers them essential to ensure that our customers have the water quality and service they deserve. Connecticut Water is a subsidiary of Connecticut Water Service, Inc. (NASDAQ: CTWS) and serves nearly 93,000 customers, or a population of 315,000, in 56 communities throughout the state of Connecticut. For more information, visit: <a href="www.ctwater.com">www.ctwater.com</a>.

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This news release may contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 regarding the Company's results of operations, financial position and long-term strategy. These forward-looking statements are based on current information and expectations, and are subject to risks and uncertainties discussed in our filings with the Securities and Exchange Commission, which could cause the Company's actual results to differ materially from expected results. We undertake no obligation to update or revise forward-looking statements, whether as a result of new information, future events, or otherwise.

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