



NEWS

93 West Main Street, Clinton, CT 06413

Connecticut Water Service, Inc. Board Approves \$66.2 Million Capital Spending Plan for 2018 and Declares Dividends

CLINTON, CONN., Nov. 10, 2017 – Connecticut Water Service, Inc. (Nasdaq: CTWS) announced today that the Company's Board of Directors approved an overall \$66.2 million Capital Spending Plan for 2018 for its regulated public water and wastewater utilities. The 2018 Capital Spending Plan represents an increase of \$10.2 million, or 18 percent, compared to 2017's approved plan. The 2018 Plan includes capital spending for the two Connecticut companies acquired in 2017 that were not included in the 2017 Plan.

Approximately 35 percent of the capital spending planned for 2018, or \$23.0 million, is allocated for pipeline replacement and other projects eligible through Connecticut's Water Infrastructure and Conservation Adjustment (WICA) and Maine's Water Infrastructure Charge (WISC) programs.

David C. Benoit, CTWS's President and CEO stated, "Our water utility companies are leaders in replacing aging infrastructure. The 2018 Capital Spending Plan keeps us on pace to replace about one percent of our water mains every year – far sooner than the industry average."

Mr. Benoit further stated, "These investments improve reliability and water quality, enhance the flow of water available at fire hydrants, reduce operating expenses in the form of lower tax expense, and are good for the environment because they reduce the amount of water lost to underground leaks and the power wasted to pump lost water."

The Capital Spending Plan also includes \$15.7 million for treatment improvements. The majority is allocated to the Saco River Treatment Facility that will replace The Maine Water Company's (Maine Water) oldest surface water treatment plant, which went into service in 1884 and is possibly the oldest water treatment facility in the nation. The new treatment facility will be located out of the Saco River's flood plain and will ensure that the Company has reliable capacity and system redundancy to meet the water needs of current and future customers in southern Maine. The facility is expected to be service in 2020.

In addition to Maine Water, CTWS's water and wastewater subsidiaries included in the 2018 Capital Spending Plan are The Connecticut Water Company (Connecticut Water), The Heritage Village Water Company (Heritage Water), and The Avon Water Company (Avon Water). Heritage Water and Avon Water were acquired by CTWS in 2017.

Overall, \$48.5 million is allocated for the Company's Connecticut subsidiaries and \$17.7 million is allocated for Maine Water in 2018. CTWS's regulated water and wastewater utility subsidiaries in Connecticut serve nearly 104,000 water customers and 3,000 wastewater customers in Southbury. Maine Water serves about 32,000 customers in Maine.

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Dividends Declared

CTWS's Board also declared a quarterly cash dividend of \$0.2975 per common share payable on December 15, 2017, for shareholders of record as of December 1, 2017. This quarterly dividend remains unchanged from the previous quarter and represents an annualized dividend of \$1.19 per share. CTWS's annual dividend yield at the stock market closing on Thursday, November 9, 2017, was 1.9 percent. Connecticut Water has paid quarterly dividends on common stock since its founding in 1956 without interruption or reduction and has increased dividend payments for each of the last 48 years.

A quarterly cash dividend of \$0.20 per share was declared on Preferred A shares (CTWSO) payable on January 16, 2018, for shareholders of record as of January 2, 2018, and a \$0.225 quarterly cash dividend was declared on Preferred 90 shares (CTWSP) payable on February 5, 2018, for shareholders of record as of January 22, 2018.

The Company's Dividend Reinvestment Plan and Common Stock Purchase Plan (DRIP) is available to registered shareholders, employees, and residential customers of the Connecticut Water and Maine Water companies. Other investors who wish to participate in the DRIP should contact investor relations at the company for more information. Additional information about the DRIP and the plan prospectus are available online at the Company's website, <http://ir.ctwater.com/>, or upon request.

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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 operation, 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.