



NEWS

93 West Main Street, Clinton, CT 06413

Connecticut Water Service, Inc. Board Approves \$55.4 Million Capital Spending Plan for 2017 and Declares Dividends

Clinton, Connecticut, November 10, 2016 – Connecticut Water Service, Inc. (NASDAQ-GS: CTWS) announced today that the Company's Board of Directors approved an overall \$55.4 million Capital Spending Plan for 2017 with \$46.7 million for The Connecticut Water Company (Connecticut Water) and \$8.7 million for The Maine Water Company (Maine Water). Those regulated water utility subsidiaries serve about 92,000 customers, or about 315,000 people in Connecticut and about 32,000 customers, or about 85,000 people in Maine, respectively.

Approximately 40% of the capital spending planned for 2017, or \$22.2 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. Eric W. Thornburg, CTWS's President and Chief Executive Officer, stated, "In 2016, Connecticut Water hit a milestone with replacement of its 100th mile of pipe, or more than 6% of the Company's water mains, through the WICA program since it became available to us in 2007. Those mains had an average age of 75 years. Replacing that old pipe improves service reliability and water quality for customers and costs up to six times less than repairing a water main when it fails. WISC became available to us in Maine in 2013."

Mr. Thornburg added, "Infrastructure investments are key to our long-term business plan, providing an added financial benefit for our customers and shareholders as a significant portion of this investment will reduce operating expenses, in the form of lower tax expense. The needed continuing investment in infrastructure replacement fundamentally reduces the cost of providing high quality water service to our customers. Further, this investment benefits the environment by reducing the amount of water lost to underground leaks, the power wasted to pump lost water, and enhancing public fire protection on our water systems.

The Capital Spending Plan also includes \$13.9 million in treatment plant improvements. The majority is allocated to a major upgrade at Connecticut Water's Rockville water treatment facility, Connecticut Water's oldest surface water treatment plant that went into service in 1970. The treatment facility upgrade will ensure that the Company has reliable capacity and system redundancy to meet the water needs of current and future customers in northern Connecticut. The facility upgrade is expected to be completed and put into service in 2017.

CTWS's Board also declared a quarterly cash dividend of \$0.2825 per common share payable on December 15, 2016, for shareholders of record as of December 1, 2016. This quarterly dividend remains unchanged from the previous quarter and represents an annualized dividend of \$1.13 per share. CTWS's annual dividend yield at the stock market closing on Thursday, November 10, 2016, was 2.2%. 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 47 years.

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A quarterly cash dividend of \$0.20 per share was declared on Preferred A shares (CTWSO) payable on January 17, 2017, for shareholders of record as of January 3, 2017, and \$0.225 quarterly cash dividend was declared on Preferred 90 shares (CTWSP) payable on February 6, 2017, for shareholders of record as of January 23, 2017.

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 Web site, <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.