Forward-Looking Statements

Except for the historical statements and discussions, some statements contained in this presentation constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are based on current expectations and rely on a number of assumptions concerning future events, and are subject to a number of uncertainties and other factors, many of which are outside our control, that could cause actual results to differ materially from such statements.

These forward-looking statements speak only as of the date of this presentation. Connecticut Water does not assume any obligation to update or revise any forward-looking statement made in this presentation or that may, from time to time, be made by or on behalf of the Company. Neither this presentation nor any verbal communication shall constitute an invitation or inducement to any person to subscribe for or otherwise acquire any Connecticut Water securities.

For further information regarding risks and uncertainties associated with Connecticut Water’s business, please refer to Connecticut Water’s annual, quarterly and periodic SEC filings which can be found on the investor relations page of the Company’s website www.ctwater.com and at www.sec.gov.
**Connecticut Water**

**New England’s Largest Publicly Traded Water Utility**

**Market Data**

As of 8/8/17 unless otherwise noted

- **$860.9 Million** Total Enterprise Value
- **$652.3 Million** Market Capitalization
- **$108.3 Million** Total Revenues LTM (6/30/17)
  - 95% Regulated, 5% Non-Regulated
- **50.4%** 1-Year Total Shareholder Return (12/31/16)
- **2.2%** Dividend Yield
- **Beta of -0.05**
- **S&P ‘A’ Rating** (reaffirmed March 2017)

**Resources**

As of 8/8/17 unless otherwise noted

- **450,000** People Served
- **2,300** Miles of Pipeline
- **288** Employees
- **80** Communities
- **135,000** Regulated Customers
- **$482.7 Million** Rate Base (6/30/17)

---

1. Total enterprise value is calculated as (Market Cap + Long-Term Debt (including current portion) + Preferred Stock) - Cash (Reconciliation in Appendix).
2. Last Twelve Months (LTM)
3. Total Shareholder Return is the return to an investor that includes stock price change and the reinvestment of dividends over a specific period.
4. Beta measures the volatility of a security relative to the overall market. A beta of less than one indicates lower risk than the market; a beta of more than one indicates higher risk than the market. Source: Yahoo Finance
5. Rate Base value is calculated as (Net Utility Plant + Materials and Supplies + Working Capital Adjustment + certain Deferred Charges and Other Costs) – (Advances for Construction + Unamortized Contributions in Aid of Construction + Deferred Federal and State Income Taxes + Unamortized Investment Tax Credits + certain Other Long-Term Liabilities).
Connecticut Water Value Proposition

Diversified, Regulated Utility Business
- Regionally focused, regulated water utilities (96% regulated earnings LTM as of 6/30/17)
- Maine acquisitions provide diversified, multi-state utility base and greater business scale
- Constructive regulatory environment with attractive investment recovery mechanisms

Low Risk, Regulated Growth Plan
- Conservative growth strategy focused on utility infrastructure investment
- Proven track record executing accretive acquisitions
- Complementary, low-risk, non-regulated utility services business

Strong Financial Profile
- Focus on maintaining a strong balance sheet and liquidity
- “A” credit rating from S&P (as of March 2017)
- Balanced approach to financing growth and prudent operating cost management
- Consistently raised dividend payments for 48 consecutive years

Operational Excellence
- High-quality, well-maintained asset system
- Experienced management team with an average of 25 years utility experience
- ≥ 85% customer satisfaction distinction in each of the last 16 years (GreatBlue – Independent Research Firm)
Our Growth Strategy

- CapEx investment in water utility infrastructure and earning a return “of and on” that investment
- Constructive regulatory relations with state commissions to align customer and shareholder interests
- Prudent acquisitions of other water systems
- Supplement regulated earnings with low risk, core water utility services where a competitive advantage exists
Our Building Blocks

**Shareholders/Growth**
- Leverage regulatory compact
- Infrastructure investment and earning a return “of and on” investment
- Low risk, supplemental non-regulated earnings
- Maintain constructive regulatory relationships
- Deliver acquisitions that deliver shareholder value

**Environment**
- Passionate about stewardship of water
- Protect and manage water and watershed for sustainability to serve current and future generations
- Harness power of WRA to reduce carbon footprint and resource consumption
- Business is water service – not selling water

**Customers**
- Provide high-quality water
- Responsive and courteous service
- High level of community engagement
- Deliver world-class service
- Customer satisfaction is a compensation metric for all employees

**Employees**
- Passionate employees delivering a life sustaining service
- Values-based, team-oriented approach
- Employee satisfaction is executive compensation metric
- Safe and secure workplace
Regulated Business

- 96% of net income attributable to regulated operations (LTM as of 6/30/17)
- Core regulated subsidiaries:
  - Connecticut Water Company (CWC)
  - Maine Water Company (MWC)
  - Heritage Village Water Company (HVWC)
  - Avon Water Company (AWC)
- 135,000 utility customers (~90% residential)
- 2,300 miles of pipe
- 250 active wells / 25 surface water supplies
- Safe, dependable yield = 185 million gallons/day
- 80% safe yield from surface water supplies
- Rate Base $482.7 Million as of 6/30/17
  - $422.4 M in Connecticut
  - $60.3 M in Maine
- 288 employees
### Regulated Model Earnings Growth

#### CapEX Drives Earnings

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invest in Water Plant</td>
<td>$100.00</td>
</tr>
<tr>
<td>Capitalize 50% with Debt</td>
<td>$50.00</td>
</tr>
<tr>
<td>Capitalize 50% with Equity (1 share of CTWS)</td>
<td>$50.00</td>
</tr>
<tr>
<td>9.75% Regulatory Return on Equity (per new share of CTWS)</td>
<td>$4.88</td>
</tr>
<tr>
<td>2016 Earnings per Share</td>
<td>$2.12</td>
</tr>
</tbody>
</table>

1 After tax return in Connecticut
Constructive Regulatory Environment

<table>
<thead>
<tr>
<th></th>
<th>Connecticut</th>
<th>Maine</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure Surcharge Program</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Single Tariff</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Revenue Decoupling</td>
<td>✓</td>
<td>✓*</td>
</tr>
<tr>
<td>6-Month Rate Case</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Streamlined Rate Case</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

* A water revenue adjustment law in Maine became effective October 15, 2015. With rate stay outs in most of its regulatory divisions as part of the repair tax dockets, Maine Water is now evaluating how and when this new mechanism can be implemented.
CTWS Acquisition Track Record

Opportunity for Growth

- Industry leading acquisitions since 2012 – 45% customer growth
- 60+ total water system acquisitions in 25 years
  - over 40 in the past 7 years
- Over 800 separate water systems and over 300 wastewater operations in Connecticut and Maine alone
Recently Completed Acquisitions

• Avon Water Company
  – Closed on July 1, 2017
  – 4,800 Water Customers
  – Serving in Avon, Farmington & Simsbury
  – Enterprise Value $40.1 Million
Recently Completed Acquisition

• Heritage Village Water Company
  – Closed on February 27, 2017
  – 4,700 Water Customers
  – 3,000 Wastewater Customers
  – Serving in Southbury, Middlebury & Oxford
  – Enterprise Value $20.7 Million
Maine Acquisitions

- **Aqua Maine**
  - Closed January 1, 2012
  - $53.5 million enterprise value (100% cash consideration)
  - 16,000 Maine customers
  - Retained highly regarded local management team

- **Biddeford and Saco Water Company**
  - Closed December 10, 2012
  - $19.8 million enterprise value (stock-for-stock consideration)
  - 15,500 Maine customers
  - Merged into Maine Water in 2014
  - November 2014 rate case settled through Stipulation Agreement in March 2015
    - 76.5% of revenue increase requested was approved
  - June 2017 rate application filed requesting $1.6 M revenue increase

- **Rate Base of Maine acquisitions was $60.3 Million as of 6/30/17**
Territory Acquisition

• Selected as long-term water provider for UConn and surrounding area
  – Acquired ~300 off-campus customers
  – Supplemental source of supply for growing University
  – 50 year agreement to supply UConn

• Pipeline construction completed and in service

• Locks in expanded service area
UConn/Mansfield

CWC’s Northern Service Area

Pipeline

UConn
Connecticut Water Service, Inc. Committed to ESG and Sustainability

- A ‘Day of Service’ for employees launched in 2016
- Active Employee Safety Committee
  - CT Construction Industry Association - Safety Award - 12 straight years
- Water Drop Challenge CT residential customers incentivized to conserve saving 30 million gallons of water
- Partnering with Coastal Mountain Land Trust to preserve 1,400 acres and create recreation opportunities in Maine
- CT Fleet miles reduced > 20% since 2008
- Since 2001 >1,000 acres of Connecticut land protected as open space
- All Employees participate training on workplace violence and ethics
- CTWS Board of Directors – Gender Parity
2016 Corporate Sustainability Report

• Conducting our business in a way that respects the natural environment
• Values service to customers, communities, employees and shareholders
• Available for viewing and download at http://ir.ctwater.com
Connecticut Water’s Virtuous Cycle

Connecticut Water’s Virtuous Cycle is driven by Access to Capital, which is used to invest in high-quality, timely infrastructure. This investment not only enhances the company’s regulatory framework and allows for constructive investment recovery tools but also results in award-winning customer satisfaction and experienced management that is incentivized to provide excellent service.

- Access to Capital Drives Quality, Timely Investment
- Growing Total Shareholder Return, Stable and Growing Dividends
- High Quality Earnings: Net Income Growth, EPS, and Dividends Growth
- Conservative Growth Strategy – Prudent Acquisitions and Utility Infrastructure Investment
- Employees Incentivized to Satisfy Customers with Excellent Service
- Award-Winning Customer Satisfaction
- Experienced Management, Consistent Operational Excellence
- Constructive Regulatory Framework with Attractive Investment Recovery Tools
FINANCIAL OVERVIEW
Financial Management

- Maintain continuing improvement to operating margin
- Balanced capital structure
- Use tools provided by legislation
  - Maximize rate base in rates (WICA/WISC)
  - Conservation adjustment
- Drive down borrowing costs
Infrastructure Investment Drives Rate Base Growth

• Attractive, near-term regulated growth opportunities through investment in core infrastructure

• Strategy to balance investment and rate recovery time

---

1 Does not include Heritage Village Water acquisition or the pending Avon Water acquisition

---

1 Annual WICA/WISC 2017 is Budgeted

Total CapEx
2017 Planned Capital Spending

- More than $150 Million of identified infrastructure investment (2017 – 2019)

- ‘Generational’ Spend on Water Treatment Facilities
  - Rockville 1970
  - Biddeford 1884

1 Does not include 2017 completed or pending acquisitions
2 Examples include: well development, gatehouse construction, tank work
## Infrastructure Recovery Mechanisms

### Connecticut (WICA)
- Water Infrastructure and Conservation Adjustment
  - 1st used in 2009
- Eligibility – Infrastructure replacement, meters, hydrants, conservation equipment
- 5% annual cap
- 10% maximum adjustment
- $16.9 M expenditures in 2016
- Current cumulative surcharge 8.25%
- July 26, 2017 requested 1.56% increase

### Maine (WISC)
- Water Infrastructure Charge
  - 1st used in 2014
- Eligibility – Virtually all capital investment
- Annual Cap 6% to 10% depending on size of water system
- 10% to 20% maximum adjustment depending on size of water system
- $4.1 M expenditures in 2016
- Surcharge varies by water system
- Average WISC is 5.66%
Efficiently Managing Costs

*Win for Shareholders and Customers*

- Manage Employee Benefits
  - Closed pension plans to new hires
  - Subsidizing prescription drug coverage
- Repair Tax Adoption
- Manage Interest Expense
- Consolidation of corporate functions within Maine
- Procurement initiative
- Ongoing expense control program
  - 8% decrease in O&M Expense in 2016
  - Led by senior managers more than $4.0 million in sustained O&M expense reductions offsetting other increases (2011 – 2016)
Utility Operating Margin

**Efficiency Measure**

Utility Operating Income as a percentage of Operating Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>22.5%</td>
</tr>
<tr>
<td>2008</td>
<td>22.8%</td>
</tr>
<tr>
<td>2009</td>
<td>22.0%</td>
</tr>
<tr>
<td>2010</td>
<td>22.0%</td>
</tr>
<tr>
<td>2011</td>
<td>23.6%</td>
</tr>
<tr>
<td>2012</td>
<td>24.4%</td>
</tr>
<tr>
<td>2013</td>
<td>25.0%</td>
</tr>
<tr>
<td>2014</td>
<td>27.7%</td>
</tr>
<tr>
<td>2015</td>
<td>28.6%</td>
</tr>
<tr>
<td>2016</td>
<td>29.3%</td>
</tr>
</tbody>
</table>
High Quality Earnings

**Net Income**

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Income (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$11.3</td>
</tr>
<tr>
<td>2012</td>
<td>$13.6</td>
</tr>
<tr>
<td>2013</td>
<td>$18.2</td>
</tr>
<tr>
<td>2014</td>
<td>$21.3</td>
</tr>
<tr>
<td>2015</td>
<td>$22.8</td>
</tr>
<tr>
<td>2016</td>
<td>$23.4</td>
</tr>
<tr>
<td>LTM</td>
<td>$22.8</td>
</tr>
</tbody>
</table>

5 Year CAGR 16%

**Earnings Per Share**

<table>
<thead>
<tr>
<th>Year</th>
<th>Earnings Per Share (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$1.31</td>
</tr>
<tr>
<td>2012</td>
<td>$1.55</td>
</tr>
<tr>
<td>2013</td>
<td>$1.68</td>
</tr>
<tr>
<td>2014</td>
<td>$1.95</td>
</tr>
<tr>
<td>2015</td>
<td>$2.07</td>
</tr>
<tr>
<td>2016</td>
<td>$2.12</td>
</tr>
<tr>
<td>LTM</td>
<td>$2.04</td>
</tr>
</tbody>
</table>

5 Year CAGR 10%

1 Last twelve months as of 6/30/17
New England Water Utility Services (NEWUS) in Connecticut and Maine Water in Maine provide a variety of complementary water- and wastewater-related utility services to residential, commercial, industrial, and municipal clients

- Contract operation of water and wastewater systems for other utilities, businesses, municipalities, and the University of Connecticut’s Storrs campus, and related services (> 40 client contracts)
- Linebacker® program (~19,000 residential customers enrolled)
  - Offers basic and expanded plans to include water service line, wastewater line and in-home plumbing
  - Initial expansion to non-customers in 2015

### Highlights

- Complementary geographic focus (Connecticut, Maine, New Hampshire)
- Low risk, fee-based revenue
- No capital at risk

### Services & Rentals Segment Net Income

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Income ($ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$1.4</td>
</tr>
<tr>
<td>2013</td>
<td>$1.5</td>
</tr>
<tr>
<td>2014</td>
<td>$1.5</td>
</tr>
<tr>
<td>2015</td>
<td>$1.4</td>
</tr>
<tr>
<td>2016</td>
<td>$1.2</td>
</tr>
</tbody>
</table>
Stable & Growing Dividend

- Board increased dividend on common shares by 5.3% for second quarter 2017
- Annual dividend yield 2.2% as of 8/8/17
- Dividend paid without interruption or reduction for 244 consecutive quarters
- Increased dividend payments for 48 consecutive years
- 2016 Dividend Payout Ratio = 54%

On August 11, 2017, the Company’s Board increased the quarterly cash dividend from $0.2825 to $0.2975 per common share and declared a dividend payable on September 15, 2017.
Performance

Average Annual 1, 3 & 5-Year Total Shareholder Return @ 12/31/16

1 year: 50.4%
3 year: 19.5%
5 year: 19.0%
Indices Constituent

• CTWS is a constituent of diverse indices including:
  – NASDAQ Dividend Achievers Select Index
  – Russell 2000
  – S&P Global Water Index
  – US 1500 Index
  – Global Utilities Index
  – NASDAQ OMX US Water Index
Water, the basic ingredient of Life...
Appendix

Our Vision... Serving Our Customers, Shareholders and Employees at World Class Levels
## Selected Financial Data

**Six Months Ended June 30, 2017**

(In thousands except per share amounts)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues</td>
<td>$50,365</td>
</tr>
<tr>
<td>Other Water Activities Revenues</td>
<td>641</td>
</tr>
<tr>
<td>Real Estate Revenues</td>
<td>212</td>
</tr>
<tr>
<td>Service and Rentals Revenues</td>
<td>2,489</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$53,707</strong></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$34,806</td>
</tr>
<tr>
<td>Other Utility Income, Net of Taxes</td>
<td>$355</td>
</tr>
<tr>
<td><strong>Total Utility Operating Income</strong></td>
<td><strong>$15,914</strong></td>
</tr>
<tr>
<td>Gain on Property Transactions, Net of Taxes</td>
<td>$33</td>
</tr>
<tr>
<td>Non-Water Sales Earnings (Services and Rentals), Net of Taxes</td>
<td>$590</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td><strong>$12,486</strong></td>
</tr>
<tr>
<td>Net Income Applicable to Common Shareholders</td>
<td>$12,467</td>
</tr>
<tr>
<td>Basic Earnings Per Average Common Share</td>
<td>$1.11</td>
</tr>
<tr>
<td>Diluted Earnings Per Average Common Share</td>
<td>$1.09</td>
</tr>
<tr>
<td>Basic Weighted Average Common Shares Outstanding</td>
<td>11,242</td>
</tr>
<tr>
<td>Diluted Weighted Average Common Shares Outstanding</td>
<td>11,467</td>
</tr>
<tr>
<td>Book Value Per Share</td>
<td>$22.45</td>
</tr>
</tbody>
</table>
# Condensed Balance Sheet

As of June 30, 2017

<table>
<thead>
<tr>
<th>(In thousands)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td>Net Utility Plant</td>
<td>$647,688</td>
</tr>
<tr>
<td>Current Assets</td>
<td>33,233</td>
</tr>
<tr>
<td>Other Assets</td>
<td>174,095</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$855,016</strong></td>
</tr>
</tbody>
</table>

| **CAPITALIZATION AND LIABILITIES** |                  |
| Shareholders’ Equity               | $260,048          |
| Preferred Stock                    | 772               |
| Long-Term Debt                     | 205,351           |
| Current Liabilities                | 62,608            |
| Other Liabilities and Deferred Credits | 326,237         |
| **Total Capitalization and Liabilities** | **$855,016** |
Reconciliation of Enterprise Value

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Capitalization 8/8/17 (NASDAQ)</td>
<td>$652,229,000</td>
</tr>
<tr>
<td>+ Long-Term Debt (CTWS Form 10-Q filed 8/8/17)</td>
<td>205,351,000</td>
</tr>
<tr>
<td>+ Current Portion of Long-Term Debt (CTWS Form 10-Q filed 8/8/17)</td>
<td>5,196,000</td>
</tr>
<tr>
<td>+ Preferred Stock (CTWS Form 10-Q filed 8/8/17)</td>
<td>772,000</td>
</tr>
<tr>
<td>- Cash/Cash Equivalents (CTWS Form 10-Q filed 8/8/17)</td>
<td>-2,694,000</td>
</tr>
<tr>
<td><strong>Enterprise Value</strong></td>
<td><strong>$860,854,000</strong></td>
</tr>
</tbody>
</table>

Connecticut Water’s annual, quarterly and periodic SEC filings which can be found on the investor relations page of the Company’s website [www.ctwater.com](http://www.ctwater.com) and at [www.sec.gov](http://www.sec.gov) under ticker symbol CTWS.
Conservative Financial Management

- S&P credit rating: ‘A’/Stable (reaffirmed on March 2017)
- No near-term debt maturities/ equity offerings (excluding ongoing Dividend Reinvestment Plan)
- Balanced debt-equity ratio
- 70.9% Cumulative Total Shareholder Return over a 3-year period (2014 – 2016)

### Long-Term Debt to Capitalization Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>53.0%</td>
</tr>
<tr>
<td>2012</td>
<td>48.0%</td>
</tr>
<tr>
<td>2013</td>
<td>46.0%</td>
</tr>
<tr>
<td>2014</td>
<td>45.0%</td>
</tr>
<tr>
<td>2015</td>
<td>43.0%</td>
</tr>
<tr>
<td>2016</td>
<td>45.0%</td>
</tr>
</tbody>
</table>
CTWS Creates Shareholder Value

Strong Core Business *plus*
Best-in-Class Tools for Success

Strong Predictable Revenue (WRA)

Effective Expense Management

Minimal Regulatory Lag (WICA, WISC)
Customer Strategy

• National Management Innovation Award for Customer Protection Program
  – Protects customers from utility worker imposters

• Invest and maintain infrastructure to deliver high-quality water and reliable service

• Assistance Programs for low income/hardship

• Responsive and Courteous Service

• Leverage technology to drive convenience and efficiency

• Customer Satisfaction!
  – World-Class 16 straight years
Employee Strategy

• Leadership is a privilege
• Values-based
• Team & service oriented professionals
• “Satisfied Employees Satisfy Customers”
• Employee Satisfaction
  — Executive compensation metric
Environmental Strategy

- Leverage CT’s Water Revenue Adjustment (WRA) to promote water conservation
- Donate/sell unneeded land as protected open space
- Replace aging pipe, valves and pumps to conserve natural resources
- Aggressively manage energy usage
- Invest in and protect watershed lands
## Constructive Regulatory Environments

### CT Public Utilities Regulatory Authority
- 6-month regulatory timeline
- Water Infrastructure and Conservation Adjustment (WICA)
  - Expanded in 2013
- Water Revenue Adjustment enacted in 2013
- Single Tariff
- Allowed ROE: 9.75% to 10.1%

J. Betkoski, PURA Vice Chair, ‘NARUC’ Water Committee

### ME Public Utilities Commission
- Streamlined rate approach
- Virtually all cases “Settled”
- Water Infrastructure Surcharge (WISC)
  - Nearly all plant eligible
- Water Revenue Adjustment enacted in 2015¹
- Allowed ROE = 9.5% to 10%

M. Vannoy, MPUC Chair, ‘NARUC’ Water Committee

---

¹ A water revenue adjustment law in Maine became effective October 15, 2015. With rate stay outs in most of its regulatory divisions as part of the repair tax dockets, Maine Water is now evaluating how and when this new mechanism can be implemented.
Repair Tax Facts - CTWS

• Adopted by CTWS
  – In Connecticut for 2012
  – In Maine for 2014
  – Required “flow-through” tax treatment in both states

• What it means
  – Vast majority of annual investment in infrastructure replacement is immediately deductible for tax purposes
  – The same investment grows rate base as it always has
Repair Tax Facts - CTWS

• It is **NOT temporary**. Our annual commitment to replacing **1% - 2% of our pipe** will continue to generate deductions that significantly lower or eliminate annual tax expense. Single digit effective tax rate expected to be the norm.

• Closes rate differential with municipalities

• **Utility Operating Margin vastly improved** due to a lower portion of each dollar collected required to support Operating Costs
Repair Tax Facts - CTWS

• Cash flow improvement allows for increased capital investment with less reliance on financing

• We are replacing Operating Expense with Capital Expense (Virtually tripling from 2011 to 2016)

• Customers and Regulators will realize the benefits in the form of manageable increases despite level of capital investment