

Connecticut Water Company
93 West Main Street
Clinton, CT 06413-1600

Office: 860.669.8636
Fax: 860.669.9326
Customer Service: 800.286.5700



February 24, 2014

Mr. Matthew W. Hart, Town Manager
Audrey P. Beck Municipal Building
4 South Eagleville Road
Mansfield, CT 06268

Re: Individual Water Supply Plan

Dear Mr. Hart:

Enclosed are Land Use and Supply Maps and other elements from the September 2006 Connecticut Water Northern Region Water Supply Plan appendix. As indicated in my letter of February 11, 2014 transmitting the body of the plan, certain security sensitive sections have been redacted.

Should you wish to review any of the redacted material, please contact the Company and the requested information will be provided to you upon execution of our standard confidentiality agreement.

Very truly yours,

A handwritten signature in black ink, appearing to read "D. Radka".

David L. Radka
Director of Water Resources and Planning

Enc: Northern WSP Appendix

APPENDICES

A	Franchise Agreements
B	Interconnection Agreements
C	Water Quality Data
D	Safe Yield Data
E	System Production Data
F	Financial Plan Exhibits
G	Water Conservation Plan
H	Emergency Contingency Plan
I	Supply and Land Use Map
J	Distribution System Maps

APPENDIX A
FRANCHISE AGREEMENTS

INCORPORATING THE BROAD BROOK COMPANY.

PASSED 1849.

Upon the petition of George Beach and others, praying for a grant of certain corporate rights, as per petition on file, dated May , A. D. 1849, this assembly having inquired into the allegations contained in said petition, do find the same to be true; therefore,

Resolved by this Assembly, Sec. 1. That George Beach, Lawson C. Ives, Austin Danham, Bryan E. Hooker, George Beach, Jr., Erastus Smith, with all others who now are or hereafter may be associated with them, and their successors and assigns, be and they are hereby constituted a body politic and corporate, under the name of the "*Broad Brook Company,*" to be located in the town of East Windsor, in Hartford county,

for manufacturing purposes, and by that name they and their assigns and successors shall be and hereby are authorized and empowered to purchase, take, hold, occupy, possess and enjoy, to them and their successors, any goods, lands, tenements or hereditaments, chattels and effects of whatever kind they may be, which shall be necessary for the views and purposes of said corporation, and the same to sell and dispose of at pleasure; also, to sue and be sued, defend and be defended, answer and be answered unto, in any court of record or elsewhere, and said corporation may have and use a common seal, and may alter the same at their pleasure.

Sec. 2. The capital stock of said corporation shall be two hundred thousand dollars, with liberty to increase the same from time to time to an amount not exceeding in the whole three hundred thousand dollars, and no additional stock shall be created except by a vote of the stockholders at an annual meeting, or at a meeting specially warned for that purpose. The shares of said capital stock shall be twenty-five dollars each, and shall be deemed and considered personal estate, and be transferable only on the books of said company, in such form as the by-laws thereof shall prescribe; and said company shall at all times have a lien on all the stock and property of the members thereof invested therein, for all debts due from them to said company.

Sec. 3. The stock, property and affairs of said corporation shall be managed by not less than three nor more than twelve directors, who shall be chosen annually by the stockholders at such time and place as shall be prescribed by the by-laws of said company, which directors shall be stockholders, and shall hold their offices for one year, and until others shall be chosen in their stead.

Sec. 4. A majority of the directors shall on all occasions, when met, constitute a board for the transaction of business, and a majority of the stockholders present at any legal meeting shall be capable of transacting the business of such meeting, each share entitling the owner thereof to one vote, and such vote may be given personally or by proxy.

Sec. 5. The directors, or a major part of them, shall have power to fill any vacancies in their board, which may happen by death or otherwise, for the current year, and to appoint and employ from time to time a secretary, treasurer and such other officers, mechanics and laborers as they may think proper, in the prosecution of their business, and as often as the business of the company will admit may declare a dividend of the profits on each share, which shall be paid by the treasurer of said company; and the stockholders may from time to time make and establish such by-laws, rules and regulations as they may deem expedient, and the same may alter and repeal; *provided* the same be not inconsistent with the laws of this state or of the United States.

Sec. 6. If it shall so happen that an election of directors shall not take place in any year at the annual meeting of the company, the same shall not for that reason be dissolved, but an election may be had at any time within one year, the place and time to be fixed upon, and public notice thereof to be given by the directors.

Sec. 7. The books of said company containing their accounts shall at all reasonable times be open for the inspection of any of the stockholders, and as often as once in each year, a statement of the affairs of the company shall be made by the order of the directors.

SEC. 8. For the debts which may at any time be due from said company, the stockholders thereof shall not be responsible in their private capacity, but only the property and estate of said corporation; and nothing in this act shall be construed to authorize or empower the said company to use their funds for any banking transactions.

SEC. 9. The said company, within six months after the same shall be organized and go into operation under this charter, shall lodge a certificate with the town clerk of the town of East Windsor, specifying the appraised value of the property constituting the capital stock of the company. And whenever said company shall increase its capital stock, said company shall within one month thereafter lodge a certificate with said town clerk of the amount so added, and no part of the amount so certified and paid in shall be withdrawn without the consent of this assembly. And the secretary of the company shall make a certificate under oath, every year, of the amount of stock subscribed, of the names of the stockholders, and the amount held by each; and that said certificate be filed in the office of the secretary of state of the state of Connecticut.

SEC. 10. If any part of the capital stock so paid in and certified shall be withdrawn without the consent of this assembly, the directors and stockholders ordering, causing or allowing such withdrawal or reduction of the capital stock, in case of the insolvency of the company in consequence thereof, shall be liable jointly and severally as traders in company at the time of, or subsequent to, such reduction of the capital stock.

SEC. 11. Immediately upon the organization of the company hereby created, all the real and personal estate of every description, including rights of action, belonging to the association heretofore known as the Broad Brook Company, shall become vested in the company hereby created, its successors and assigns; and the company hereby created may sustain suits on all such rights of action, in the same manner as if such rights of action had originally accrued to said new company; and said new company shall be liable for all debts and claims of every description that may exist against the association heretofore known as the Broad Brook Company, and may be sued thereon in the same way as if such debts and claims had originally accrued against said new company. *Provided*, that nothing herein contained shall in any way affect or impair the claims which any person may have against the association heretofore existing, known as the Broad Brook Company, its officers, stockholders or property; but such persons may sue, prosecute and enforce their claims against such association, its officers and property, in the same manner as if this resolve had not passed.

SEC. 12. That George Beach, Lawson C. Ives and Bryan E. Hooker, all of Hartford, or either of them, be and they are hereby authorized to call the first meeting of the corporation hereby formed, by forwarding by mail or otherwise, a written or printed notice of the time and place of such meeting, at least one week previous thereto, directed to each person and firm now stockholders in the Broad Brook Company.

SEC. 13. This resolve may be altered, amended or repealed at the pleasure of the general assembly.

AMENDING THE CHARTER OF THE BROAD BROOK COMPANY.

Resolved by this Assembly: That the Broad Brook Company, incorporated May session, 1849, be and it is hereby authorized and empowered to add to its present capital stock of three hundred thousand dollars any number of shares not exceeding in the aggregate eight thousand shares of the par value of twenty-five dollars each, at such time or times and upon such terms and conditions as the directors of said company may deem proper.

Approved, March 10, 1885.

AN ACT AMENDING THE CHARTER OF THE BROAD BROOK COMPANY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

SECTION 1. Section two of a resolution, approved in the month of May, 1849, incorporating the Broad Brook Company, as amended by a resolution approved March 19, 1885, is amended to read as follows: The authorized capital stock of the Broad Brook Company shall be one million dollars, and the par value of each share shall be twenty-five dollars. Such shares may be issued by the directors, as authorized by a vote of the stockholders at any meeting warned and held for that purpose.

SEC. 2. Section one of this act shall be valid as an amendment to the charter of said corporation if, within one year after its passage, it shall be accepted at a meeting of said corporation duly warned and held for that purpose and an attested copy of said acceptance shall be filed in the office of the secretary of the state.

Approved, April 17, 1939.

AN ACT CONCERNING CREATION OF THE BROAD BROOK WATER COMPANY.

SECTION 1. Chester A. Wiese of West Hartford, Hazel S. Cutta of Broad Brook, Chester A. Wiese, Jr. of West Hartford, and such other persons as may be associated with them, their successors and assigns, are constituted a body corporate and politic by the name of the Broad Brook Water Company, to be located in the town of East Windsor, with power under that name to exercise, in addition to all other powers herein specifically granted, all the powers and privileges granted by the general statutes, for the purpose of supplying water for public, domestic and other uses within the territorial limits designated in section 2 of this act.

SEC. 2. Said corporation shall serve the town of East Windsor.

SEC. 3. Said company shall have a capital stock of fifty thousand dollars divided into such classes of shares, either with or without par value, as may be determined by its incorporators. Said company is authorized to increase, reduce or alter its capital stock from time to time to any amount, in the manner provided in the general statutes pertaining to increases, reductions or alterations of capital stock by specially chartered corporations or corporations organized under the general statutes, and to issue, subject to the approval of the public utilities commission, additional shares of capital stock to any amount with or without par value and with such preferences, voting powers, restrictions and qualifications, if any, as shall be determined in the vote, authorizing such issue, provided no shares having a par value shall be issued for less than par in cash or in property at the actual value thereof.

SEC. 4. Said corporation is authorized to issue, subject to the approval of the public utilities commission, bonds, debentures and other certificates of indebtedness to any amount and may secure the same by mortgage or other lien on all or any part of its property and franchises.

SEC. 5. The government and direction of the affairs of said corporation shall be vested in a board of directors, of not less than three in number, who shall be chosen by the stockholders in the manner provided in the by-laws of said corporation.

SEC. 6. In the same manner as is provided in sections 16-229 to 16-231, inclusive, of the general statutes for public service companies, said corporation is authorized to open the ground in any streets, lanes, avenues, highways and public grounds within its territorial limits for the purpose of laying water mains and sanitary and storm drains and installing hydrants, building services and such other works as may be necessary in accordance with this act; and to reopen such streets, lanes, avenues, highways and public grounds as may be necessary to repair such works from time to time, provided such streets, lanes, avenues, highways and public grounds shall not be injured but shall be left in as good condition as before installing or repairing such works. Said corporation shall repair all defects or injuries to such streets, lanes, avenues, highways and public grounds caused by its use of the same for the purposes of this act, and may, for such purposes, and subject to the approval of the public utilities commission, carry and conduct any aqueduct or other works to be made or constructed by it under or over any water course, street, railroad, highway, private way or public grounds, pro-

vided such water course, street, railroad, highway, private way or public grounds shall be restored as speedily as possible to as good condition as before laying and constructing such work.

SEC. 7. Said company is authorized to construct, repair, maintain and use such reservoir or reservoirs as may be deemed expedient or necessary; to take and use the water of any spring or springs or stream or streams, or any other waters, to such extent and in such manner as may be necessary or expedient in carrying into effect the objects of this act; to construct, repair and maintain such canals or aqueducts as may become necessary or convenient for the conveyance of water to such places as may be desired and to take and hold, by purchases or otherwise, any lands or real estate necessary for the purposes of this act, and for laying and maintaining pipes and aqueducts for conducting, discharging, disposing of and distributing water, for forming a reservoir or reservoirs, for all buildings, structures, machinery and necessary fixtures and for preserving such lands and waters for the use of said company, pure and free from all contamination, nuisances, ditches, drains and sewers, and from the erection of any buildings and structures other than those employed and used for the purposes of this act, and it may make, establish and enforce all necessary and proper regulations and by-laws for the preservation of the same, provided such regulations and by-laws shall be in accordance with the laws of this state and of the United States.

SEC. 8. Said corporation shall pay all damages that shall be sustained by any person or persons or corporation in their property or estate, by the taking of any real estate or easement, by the taking of water from any brooks, springs, ponds, lakes or any other source or by constructing or laying any pipes, aqueducts or reservoirs or other works for the purposes of this act, which damages, unless the same shall be agreed upon by the parties, shall be assessed by a committee to be appointed by the superior court for Hartford county or by a judge of said court, upon application made to it or him by said corporation or by any person or corporation sustaining such damages, which application shall be accompanied by a summons served upon the opposing party as in the case of civil process before said court.

SEC. 9. The committee appointed by said court shall consist of three disinterested persons who, after being sworn and giving reasonable notice, shall hear the parties, view the property in question, assess just damages, if any, to the respective owners or parties interested in the premises or property so damaged or required or proposed to be taken for the purposes of this act, as the case may be, and report their doings to the court, which

report may be rejected at the discretion of the court.

SEC. 10. Said court may make any order necessary for the protection of the rights of all persons or corporations interested in such property, or sustaining such damages, but such property shall not be taken or interfered with by said corporation until the amount of such judgment shall be paid to the person to whom it is due, or deposited for the use of such person with the treasurer of Hartford county or, after October 1, 1960, with the state treasurer, and, in case the land or estate which the company may wish to take shall consist of separate parcels owned by different parties, the application made to the superior court or to a judge thereof may include all or any number of such separate parcels, the same being therein specifically described, and the persons so appointed shall assess the damages, if any, separately to the parties owning the separate parcels.

SEC. 11. The agents of said corporation intrusted with the superintendence of such work may, at all reasonable times, enter any premises where water is supplied by it to examine the pipes and fixtures and to prevent all unnecessary waste.

Approved June 16, 1959.

[House Bill No. 2869.]

[26.]

AN ACT AMENDING THE CHARTER OF THE BROAD BROOK WATER COMPANY.

Section 2 of number 402 of the special acts of 1959 is amended to read as follows: Said corporation shall serve the town of East Windsor and shall be vested with the power, on approval of the public utilities commission, to acquire by lease, purchase or otherwise the whole or any part of water properties and rights of any corporation, partnership, or individual selling, supplying and distributing water in the town of Somers and, upon the acquisition of such properties and rights, is authorized to sell, supply and distribute water within said town and to hold, own, use, extend, exercise, enjoy and dispose of the same.

Approved April 25, 1961.

Incorporating The Rockville Aqueduct Company.

Upon the petition of S. D. W. Harris, George Talcott, George Kellogg, Jr., E. K. Rose, Clark Holt, J. C. Hammond, Jr., J. J. Robinson, L. A. Corbin, Cyrus White, A. Park Hammond, Cyrus Winchell, Royal G. Holt, George Maxwell, Lebbeus Bissell and George Kellogg, praying for a charter for The Rockville Aqueduct Company:

Resolved by this Assembly, SEC. 1. That S. D. W. Harris, George Talcott, George Kellogg, Jr., E. K. Rose, Clark Holt, J. C. Hammond, Jr., J. J. Robinson, L. A. Corbin, Cyrus White, A. Park Hammond, Cyrus Winchell, Royal G. Holt, George Maxwell, Lebbeus Bissell and George Kellogg, with all such persons as may from time to time be associated with them, for the purpose of supplying the village of Rockville, in the town of Vernon, with an abundant supply of pure water for public and domestic use, their successors and assigns, be, and they hereby are, incorporated for said purpose, by the name and style of The Rockville Aqueduct Company; and by that name shall be and are hereby made capable in law to have, purchase, receive, possess and enjoy, to them and their successors, lands, rents, tenements, hereditaments, goods, chattels and effects, of what kind soever, to give effect to the specified purpose of said company, and for the accommodation of their business and concerns, and the same to sell, grant, demise, alien and dispose of, to sue and be sued, plead and be impleaded, defend and be defended, in all the courts of this state and elsewhere; to make and have a common seal, and the same to alter or renew at pleasure; also to make, ordain, establish and put in execution such by-laws, ordinances and regulations as shall be deemed necessary and convenient for the well ordering and government of said corporation, not being contrary to this act, the laws of this state or of the United States; and to do and execute all and singular the matters and things which to them may appertain to do, subject to the rules and regulations hereinafter prescribed.

SEC. 2. The capital stock of this company shall consist of twenty thousand dollars, with the privilege of increasing the same to forty thousand dollars, to be divided into shares of twenty-five dollars each, and be transferable in such manner and at such places as the by-laws of said company shall direct.

SEC. 3. The persons named in the first section hereof, or a major part of them, shall open books to receive subscriptions for the capital stock of said company, at such times and places as they or a majority of them shall direct; and shall give such notice of the time and places of opening such books as they may deem reasonable; and shall receive said subscriptions under such regulations as they may adopt for the purpose.

SEC. 4. The government and direction of the affairs of said company shall be vested in a board of not less than three, nor more than five directors, who shall be chosen by the stockholders of said company, a majority of whom shall constitute a quorum. Said directors shall hold their offices till others are duly elected and qualified in their places; and the directors (a majority of whom shall be a quorum for the transaction of business) shall elect one of their number to be president of their board, who shall also be president of the said company. They shall also choose a secretary and a treasurer, which treasurer shall give bonds, with surety, to said company, in such sums as said directors may require, for the faithful discharge of his trust.

SEC. 5. The persons authorized by the third section of this act to open books for subscription to the capital stock, are hereby authorized and directed, after the books for subscription to the capital stock of said company are closed, to call the first meeting of the stockholders of said

company, in such way and at such time and place as they may appoint, for the choice of directors of said company; and in all the meetings of the stockholders of said company for the choice of directors or otherwise, each share shall entitle the holder thereof to one vote, which may be given by said stockholder in person or by lawful proxy; and the annual meeting of the stockholders of said company shall be holden at such time and place, and upon such notice, as said company in their by-laws may prescribe. And in case it shall so happen that an election of the directors shall not be made on the day appointed by the by-laws of said company, said company shall not for that cause be deemed to be dissolved, but such election may be holden on any day which shall be appointed by the directors of said company; and said directors shall have power to fill any vacancies in their own number which may occur by death, resignation or otherwise.

SEC. 6. The directors shall have full power to make and prescribe such by-laws, rules and regulations as they shall deem needful and proper, touching the business, management and effects of said company, not contrary to law; also for the election and meeting of their directors, and other matters connected with their business and concerns.

SEC. 7. The directors of said company may require the payment of the sum or sums subscribed to the capital stock of said company, at such times, and in such proportions, and upon such conditions as they may deem proper, and in case any stockholders shall neglect or refuse to make payment pursuant to the requisitions of the board of directors, the stock of such stockholders, or so much thereof as shall be necessary, may be sold, under the direction of said board, at public auction or otherwise, after the lapse of sixty days from the time the payment became due; and all surplus money the avails of such sales, after deducting the payments due the company, the interest thereon, and necessary expenses of said sale, shall be paid over to such negligent stockholder.

SEC. 8. Said company shall have full power, and they are hereby authorized and empowered to open the grounds in any streets, lanes, avenues, highways and public grounds for the purpose of laying down and sinking, or for repairing such pipes or conduits as may be necessary for conducting to and distributing water within said town of Vernon, including said village of Rockville, in said town. And said company may for the purposes aforesaid, carry and conduct any aqueduct or other works by them to be made and constructed under and over any water-course, street, turnpike-road, railroad, highway, or other public way or public grounds: *provided*, they put such water-course, street, turnpike-road, railroad or other way in as good and perfect condition as before laying and constructing said aqueduct or other works.

SEC. 9. Said company shall have [power] to construct, repair and maintain such reservoirs as they may deem expedient or necessary to hold and keep such water as they may have the right to take and use, may construct, repair and maintain such canals or aqueducts as may be deemed necessary or convenient to carry water to such points in said village of Rockville as they may desire; may take and hold by purchase or otherwise any land or real estate necessary to carry into full effect the purposes of this act; and may make, establish and enforce all necessary and proper regulations and by-laws for the preservation of [any]

structure by them made, but such regulations and by-laws shall not be contrary to the laws of this state or of the United States; and said company may lay a pipe not exceeding twelve inches in diameter from Snipsie pond, situated about three-fourths of a mile east of said village of Rockville, to some convenient point in a line with or above the dam at the privilege now owned by Albert Dart; but said company shall fix and always maintain in said pipe at said point a gate with an opening or orifice in the same, not exceeding eight inches in diameter, which gate shall be kept closed at all times, so that no more water shall pass than flows through said opening or orifice, except at such times and only when the same shall be needed for the purpose of extinguishing fires in said village, nor shall any water be taken from the pipe between the dam of said Albert Dart above mentioned, and said Snipsie pond for any purpose, unless the same shall be returned to the natural stream or the pond of said Dart above said dam. *Provided*, that nothing herein shall be so constructed as to permit said aqueduct company to draw any water from Snipsie pond while said village of Rockville shall be supplied with water from said pond as it is now supplied, but the right hereby conferred to take water from said pond is only to be exercised as a substitute for the present supply, and is never to be exercised in addition thereto.

Sec. 10. The said company shall be liable to pay all the damages that shall be sustained by any person or persons, or corporation, in their property or estate, by the taking of any land or real estate as aforesaid; or the constructing or laying any pipes, aqueducts, reservoirs or other works for the purposes of this act. And if at any time it shall appear that any damage has accrued, or may be likely to accrue, to any person or persons, corporation or corporations, by reason of the taking of their land or estate for the purpose of this act, or in the construction of the works of said company, and such persons or corporations have not agreed with said company in writing for such damages, land or estate, the said company, or persons or corporation, may apply to the superior court for Tolland county, or to any judge of the superior court who may, by law, judge between the parties, causing ordinary legal notice, or such notice as any judge of said court may prescribe, to be given to the adverse party of such application. And thereupon said superior court or such judge shall appoint three disinterested and judicious persons, (any vacancies in which number, which may occur, to be filled by said court or judge,) who shall, after reasonable notice to the parties, assess just damages, if any, to the respective owners or parties interested in the premises so required and taken for the purposes of this act, which assessment shall be in writing under the hand of said persons, and shall be final, and shall be returned (with the application) to the clerk of said superior court, who shall record it; and said company shall pay to such owners or parties the damages so assessed, and when so paid may enter upon the premises, and may proceed to the construction of said work; or in case the owner or parties aforesaid cannot then be ascertained, shall pay the same within thirty days to the treasurer of the county of Tolland, to be by him paid to such person or persons as said court shall direct.

Sec. 11. The occupant of any house, tenement or building, who shall

take the water of said company, shall be liable for the price or rent of the same. And the agents of said company entrusted with the superintendence of the works may, at all reasonable times, enter the premises so supplied to examine the pipes and fixtures, and prevent any unnecessary waste.

SEC. 12. If any person or persons shall wilfully, wantonly or maliciously divert the water, or obstruct the same, or any part thereof, from or in any pipe, aqueduct, reservoir, stream or spring, or other place which shall be taken, or used or constructed by said company, or shall corrupt the same by committing any nuisance therein, or otherwise, every person or persons so offending shall be liable to said company in triple damages therefor.

SEC. 13. This act shall be subject to be altered, amended or repealed at the pleasure of the general assembly.

Approved, June 27th, 1866.

[Senate Joint Resolution No. 78.]

[26.]

INCORPORATING THE ROCKVILLE WATER AND AQUEDUCT COMPANY. *

Resolved by this Assembly: SECTION 1. The Rockville Water Power Company and The Rockville Aqueduct Company may sell, transfer, merge, and consolidate their corporate rights, powers, and estate into a new corporation to be known as The Rockville Water and Aqueduct Company, upon such considerations, terms, stipulations, and conditions as may be agreed upon between said corporations.

SEC. 2. Said corporation is organized for the purpose of supplying water to operate sundry manufacturing establishments in the town of Vernon, with the same powers, and under the same conditions as now appertain to The Rockville Water Power Company, and also for the purpose of supplying the city of Rockville, in the town of Vernon, with an abundant supply of pure water for household, fire, and other purposes. And said corporation shall be and is hereby made capable in law to have, purchase, receive, possess, and enjoy to them and their successors, lands, rents, tenements, hereditaments, goods, chattels, and effects, of whatever kind soever, to give effect to the specified purposes of said company, and for the accommodation of their business and concerns, and the same to sell, grant, demise, alien, and dispose of, to sue and be sued, plead and be impleaded, defend and be defended, in all the courts of this state and elsewhere; to make and have a common seal, and the same to alter or renew at pleasure; also to make, ordain, establish, and put in execution, such by-laws, ordinances, and regulations as shall be deemed necessary and convenient for the well ordering and government of said corporation, not being contrary to this act, the laws of this state or of the United States; and to do and execute all and singular the matters and things which to them may appertain to do, subject to the rules and regulations hereinafter prescribed.

SEC. 3. The capital stock of this company shall consist of one hundred and twenty-five thousand dollars, with the privilege of increasing the same to two hundred thousand dollars, to be divided into shares of twenty-five dollars each, and be transferable in such manner and at such places as the by-laws of said company shall direct.

* One of the merged companies, the Rockville Water Power Co. was incorporated under the general statutes in 1866. The charter can be found in the Sec. of State's Office, 7:84.

SEC. 4. The government and direction of the affairs of said company shall be vested in a board of not less than three nor more than five directors, who shall be chosen by the stockholders of said company, a majority of whom shall constitute a quorum. Said directors shall hold their offices until others are duly elected and qualified in their places; and the directors, a majority of whom shall be a quorum for the transaction of business, shall elect one of their number to be president of their board, who shall also be president of the company. They shall also choose a secretary and treasurer, which treasurer shall give bonds, with surety to said company, in such sums as said directors may require for the faithful discharge of his trust.

SEC. 5. The first meeting of the stockholders of said company shall be called in such way and at such time and place as may be agreed upon by The Rockville Water Power Company and The Rockville Aqueduct Company, for the choice of directors of this company; and in all meetings of the stockholders of said company for the choice of directors or otherwise each share shall entitle the holder thereof to one vote, which vote may be given by said stockholder in person or by lawful proxy; and the annual meeting of the stockholders of said company shall be holden at such time and place and upon such notice as said company in its by-laws may prescribe; and in case it shall so happen that an election of the directors shall not be made upon the day so appointed by the by-laws of said company, said company shall not for that cause be deemed to be dissolved, but such election may be holden on any day which shall be appointed by the directors of said company; and said directors shall have power to fill vacancies in their own number which shall occur by death, resignation, or otherwise.

SEC. 6. The directors shall have full power to make and prescribe such by-laws, rules, and regulations as they shall deem needful and proper, touching the business, management, and effects of said company, not contrary to law; also for the election and meeting of their directors, and other matters connected with their business and concerns.

SEC. 7. The directors of said company may require the payment of the sum or sums subscribed to the capital stock of said company, at such times and in such proportions and upon such conditions as they may deem proper, and in case any stockholder shall neglect or refuse to make payment pursuant to the requirements and requisitions of the board of directors, the stock of such stockholder, or so much thereof as shall be necessary, may be sold under the direction of such board, at public auction or otherwise, after the lapse of sixty days from the time the payment became due; and all surplus money, the avails of such sales after deducting the payments due the company, the interest thereon, and necessary expenses of said sale, shall be given over to such negligent stockholder.

SEC. 8. Said company shall have full power, and it is hereby authorized and empowered to open the ground in any streets, lanes, avenues, highways, and public grounds for the purpose of laying down and sinking, or for repairing such pipes or conduits as may be necessary for conducting to and distributing water within said town of Vernon, including said city of Rockville in said town. And said company may, for the purposes aforesaid, carry and conduct any aqueduct or other works

them to be made and constructed under and over any water-course, street, turnpike road, railroad, highway, or other public way, or public grounds; *provided*, they put such water-course, street, turnpike road, railroad, or other way in as good and perfect condition as before laying and constructing said aqueduct or other works.

SEC. 9. Said company shall have power to construct, repair, and maintain such reservoirs as it may deem expedient and necessary to hold and keep such water as it may have the right to take and use, may construct, repair, and maintain such canals or aqueducts as may be deemed necessary or convenient to carry water to such points in said city of Rockville as may be desired; may take and hold by purchase or otherwise any land or real estate necessary to carry into full effect the purposes of this act, and may make, establish, and enforce all necessary and proper regulations and by-laws for the preservation of any structure by them made, but such regulations and by-laws shall not be contrary to the laws of this state or of the United States; and said company may lay all necessary and suitable pipes from Snipsie Lake or other sources to supply said city of Rockville with water for domestic, fire, and other purposes; *provided*, that the court of common council of the said city may designate the point or points where each and every hydrant shall be located in or upon any street or streets within said city, and said company shall carry a sufficient supply of water to said hydrants; *provided, further*, that said company shall not be obliged to furnish water at any point more than fifty feet above the present top of the dam at Snipsie Lake.

SEC. 10. Said company shall be liable to pay all the damages that shall be sustained by any person or persons or corporation, in their property or estate, by the taking of any land or real estate as aforesaid, or the constructing or laying of any pipes, aqueducts, or reservoirs or other works for the purposes of this act. And if at any time it shall appear that any damage has accrued, or may be likely to accrue to any person or persons, corporation or corporations, by reason of the taking of their land or estate for the purposes of this act, or in the construction of the works of said company, and such persons or corporations have not agreed with said company in writing for such damages, land, or estate, the said company, or persons or corporation may apply to the superior court for Tolland county, or to any judge of the superior court, who may, by law, judge between the parties, causing ordinary legal notice, or such notice as any judge of said court may prescribe, to be given to the adverse party of such application. And thereupon said superior court, or said judge, shall appoint three disinterested and judicious persons, (any vacancies in said number, which may occur, to be filled by said court or judge,) who shall, after reasonable notice to the parties, assess just damages, if any, to the respective owners or parties interested in the premises so required and taken for the purposes of this act, which assessment shall be in writing under the hand of said persons, and shall be final, and shall be returned with the application to the clerk of said superior court, who shall record it; and said company shall pay to such owners or parties the damages so assessed, and when so paid may enter upon the premises, and may proceed to the construction of the said work; or in case the owners or parties aforesaid cannot then be ascer-

country of Tolland, to be by him paid to such person or persons as said court shall direct.

SEC. 11. The owner of any house, tenement, or building, who shall take the water of said company, shall be liable for the price or rent of the same. And the agents of said company entrusted with the superintendence of the works may, at all reasonable times, enter the premises so supplied to examine the pipes and fixtures and prevent any unnecessary waste.

SEC. 12. If any person or persons shall wilfully, wantonly, or maliciously divert the water, or obstruct the same, or any part thereof, from or in any pipe, aqueduct, reservoir, stream, or spring, or other place which shall be taken or used or constructed by said company, or shall corrupt the same by committing any nuisance therein, or otherwise, he shall be liable to said company in triple damages therefor.

Approved, March 1, 1898.

[Senate Joint Resolution No. 96.]

[335.]

AUTHORIZING THE ROCKVILLE WATER AND AQUEDUCT COMPANY
TO ISSUE BONDS.

Resolved by this Assembly: That The Rockville Water and Aqueduct Company is hereby authorized to borrow money for the purpose of liquidating its indebtedness properly incurred under the provisions of its charter according to law, and for the purpose of building, equipping, operating, and extending its system of water-works, pipes, and property, and for all legal purposes within the scope of its charter, and to secure the payment thereof said corporation may issue bonds in denominations of not less than one hundred dollars each, said bonds to be payable not more than thirty years from date of issue, and to bear interest at the rate of six per centum per annum, payable semi-annually, and to secure said bonds may mortgage all property of said corporation, both real and personal, and its franchise; *provided, however,* that the entire amount of bonds so issued shall at no time exceed the sum of one hundred thousand dollars; and said mortgage when duly executed, delivered, and recorded in the Vernon land records shall be and remain a valid lien upon all property, rights, and franchises of the said corporation.

Approved, May 5, 1898.

[Senate Joint Resolution No. 286.]

[398.]

AMENDING THE CHARTER OF THE ROCKVILLE WATER AND
AQUEDUCT COMPANY.

Resolved by this Assembly: That section four of the resolution incorporating The Rockville Water and Aqueduct Company, approved March 1, 1898, is amended to read as follows: The government and direction of the affairs of said company shall be vested in a board of not less than ten nor more than twelve directors, who shall be chosen by the stockholders of said company. Said directors shall hold their offices until others are duly elected and qualified in their places; and the directors, four of whom shall be a quorum for the transaction of business, shall elect one of their number to be president of their board, who shall also be president of the company. They shall also choose a secretary and a treasurer, which treasurer shall give bonds with surety to said company in such sums as said directors may require for the faithful discharge of his trust.

Approved, May 18, 1898.

[Senate Joint Resolution No. 146.]

[142.]

AMENDING THE CHARTER OF THE ROCKVILLE WATER AND
AQUEDUCT COMPANY.

Resolved by this Assembly: That The Rockville Water and Aqueduct Company is hereby authorized to exercise all of its corporate powers within and throughout the limits of the towns of Vernon, Ellington, and Tolland, in Tolland county.

Approved, April 17, 1901.

AMENDING A RESOLUTION AUTHORIZING THE ROCKVILLE WATER
AND AQUEDUCT COMPANY TO ISSUE BONDS.

Resolved by this Assembly: SECTION 1. That the resolution authorizing The Rockville Water and Aqueduct Company to issue bonds, approved May 5, 1893, is hereby amended by striking out in the thirteenth and fourteenth lines thereof the words "one hundred thousand dollars" and inserting in lieu thereof the words "one hundred and fifty thousand dollars," so that said resolution as amended shall read as follows: That The Rockville Water and Aqueduct Company is hereby authorized to borrow money for the purpose of liquidating its indebtedness properly incurred under the provisions of its charter according to law, and for the purpose of building, equipping, operating, and extending its system of water-works, pipes, and property, and for all legal purposes within the scope of its charter, and

to secure the payment thereof said corporation may issue bonds in denominations of not less than one hundred dollars each, said bonds to be payable not more than thirty years from date of issue, and to bear interest at the rate of six per centum per annum, payable semi-annually, and to secure said bonds may mortgage all property of said corporation, both real and personal, and its franchise; provided, however, that the entire amount of bonds so issued shall at no time exceed the sum of one hundred and fifty thousand dollars; and said mortgage when duly executed, delivered, and recorded in the Vernon land records shall be and remain a valid lien upon all property, rights, and franchises of the said corporation.

SEC. 2. Said company is hereby empowered either to retire its bonds previously issued, and to include in the present authorized issue the amount of bonds so retired, or to secure by a second mortgage the additional bond issue hereby authorized.

SEC. 3. The acceptance of this amendment by the said company shall carry with it the legal acceptance of the charter of said company and all amendments thereto.

Approved, May 18, 1905.

AN ACT AUTHORIZING THE ROCKVILLE WATER AND
AQUEDUCT COMPANY TO ISSUE BONDS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

The Rockville Water and Aqueduct Company, in addition to any powers heretofore granted to issue bonds, is authorized to borrow money for the purpose of liquidating its indebtedness incurred under the provisions of its charter and for the purpose of building, equipping, operating and extending its system of water works, pipes and property, and to enable said company to take up and refund its present outstanding bond issue, due May 1, 1923, and for any purpose within the scope of its charter, and, to secure payment thereof, may issue from time to time its bonds or other legal obligations, in denominations of not less than one hundred dollars each, to be payable not more than thirty years from date of issue and to bear interest at a rate not greater than seven per centum per annum, payable semi-annually; and to secure such bonds may mortgage any property of said corporation, both real and personal, and its franchise; provided the entire amount of bonds, so issued and outstanding at any time, shall not exceed the sum of one hundred and fifty thousand dollars. Such mortgage, when duly executed, delivered and recorded in the land records of the town of Vernon, shall constitute a valid lien upon the property, rights, privileges and franchises of said corporation.

Approved, April 19, 1923.

AN ACT AUTHORIZING THE MILITARY DEPARTMENT
TO ENTER INTO AN AGREEMENT WITH THE
ROCKVILLE WATER AND AQUEDUCT COMPANY
CONCERNING THE INSTALLATION AND MAIN-
TENANCE OF A WATER MAIN.

The military department of the state is authorized to construct a pipeline from the site of the proposed armory on West street in the town of Vernon under and in the state highway to an existing water main on West street, a distance of approximately seventeen hundred and fifty-five feet, and to transfer title to said pipeline easement to the Rockville Water and Aqueduct Company in consideration of said company's agreement to maintain and keep in repair said pipeline and to supply water to the state armory in said town at rates established and approved by the public utilities commission.

Approved May 5, 1955.

AN ACT AUTHORIZING THE CITY OF ROCKVILLE TO
PURCHASE THE ROCKVILLE WATER AND AQUE-
DUCT COMPANY.

SECTION 1. The city of Rockville is authorized, by vote of its board of common council, to purchase and maintain the stock and equipment of the Rockville Water and Aqueduct Company.

SEC. 2. At such time as the city of Rockville decides to purchase the Rockville Water and Aqueduct Company, as provided in section 1 hereof, said city is authorized to issue bonds under its corporate name and seal to an amount not exceeding one million dollars. Such bonds shall be denominated "Water Company Bonds." Said bonds shall not be issued at less than par and shall be serial in form, payable as consecutively numbered in such substantially equal amounts each year, beginning one year after their date, that the whole amount thereof shall be paid not more than twenty years from their date.

SEC. 3. The proceeds derived from the sale of said bonds shall be used to defray the cost and expense of purchasing the Rockville Water and Aqueduct Company as provided in section 1 of this act.

SEC. 4. The income from the operation of said water company shall be accumulated in a separate fund to be denominated "Water Bonds Fund" and shall be used exclusively to pay the principal and interest maturing and becoming due annually on such bonds and such principal and interest shall be payable solely from said fund.

SEC. 5. The board of common council of said city shall, subject to the limitations contained in this act, determine the aggregate amount of said "Water Company Bonds," the time or times for payment, the denomination or denominations thereof, the rate of interest which they shall bear, the place or

places of payment thereof, the officers of the city by whom they shall be signed and the manner of disposing thereof.

SEC. 6. In the event the city of Rockville purchases the Rockville Water and Aqueduct Company, as provided in section 1 hereof, said city is hereby expressly granted the power to furnish water for household, fire and other purposes outside the corporate limits of the city and including all of the towns of Ellington, Tolland and Vernon.

SEC. 7. No provision of number 628 of the special acts of 1953 or any amendment thereto which is inconsistent with the provisions hereof shall affect any provision of this act.

SEC. 8. In the event said city purchases the Rockville Water and Aqueduct Company as provided herein, the management and control of all of the properties, appurtenances, sales and maintenance and any other matters or things of any nature connected with said company shall be administered by a board of six directors. Said directors shall be appointed by the board of common council and shall serve for two years and until their successors are duly appointed and qualified. No more than three of said directors shall be of any one political party.

SEC. 9. This act shall take effect upon its approval by a majority of the electors and taxpayers of said city present and voting at a special meeting warned and held for such purpose on such date within ninety days after the passage of this act as the board of common council shall determine.

Approved June 17, 1957.

Approved: Date of vote, August 13, 1957. Vote for, 81.
Vote against, none.

AN ACT AMENDING THE CHARTER OF THE ROCKVILLE WATER AND AQUEDUCT COMPANY.

SECTION 1. Section 4 of number 26, of the special acts of 1893, as amended by number 398 of the special acts of 1893, is further amended to read as follows: The government and direction of the affairs of said company shall be vested in a board of not less than seven directors, who shall be chosen by the stockholders of said company and not less than one-third of whom shall reside within the franchise area of the company. Said directors shall hold their offices until others are duly elected and qualified in their places; and the directors, a majority of whom shall be a quorum for the transaction of business, shall elect one of their number to be president of their board, who shall also be president of the company. They shall also choose a secretary and a treasurer, which treasurer shall give bonds with surety to said company in such sums as said directors may require for the faithful discharge of his trust, and such other officers as they may deem desirable.

SEC. 2. The Rockville Water and Aqueduct Company, in addition to all other powers specially granted to it, may from time to time increase or alter its capital stock to any amount not exceeding eight hundred thousand dollars, or reduce its capital stock to any amount, in the manner provided in the general statutes pertaining to increases, reductions or alterations of capital stock by specially chartered corporations or corporations organized under the general law, and may issue, subject to the approval of the public utilities commission, additional shares of capital stock to any amount not exceeding eight hundred thousand dollars with or without par value and with such preferences, voting powers, restrictions and qualifications, if any, as shall be determined in the vote authorizing such issue, provided no shares having a par value shall be issued for less than par in cash or in property at the actual value thereof. Said corporation is authorized to issue, subject to the approval of the public utilities commission, bonds, debentures and other certificates of indebtedness to any amount not exceeding one million dollars and may secure the same by mortgage or other lien on all or part of its property and franchises.

SEC. 3. This act shall be valid as an amendment to the charter of The Rockville Water and Aqueduct Company if, within one year from its passage, it shall be accepted at a meeting of said company warned and held for that purpose, and an attested copy of said acceptance shall be filed in the office of the secretary of the state.

Approved June 29, 1959.

[Senate Joint Resolution No. 122.]

[230.]

AMENDING CHARTER OF THE WINDSOR LOCKS WATER COMPANY.

Resolved by this Assembly: That the charter of The Windsor Locks Water Company (approved March thirty-first, 1887) be and the same is hereby amended by inserting after the word "increased," in the fifth line of the second section thereof, the words: "from time to time by a vote of the stockholders constituting a majority of the stock in number and value," and by striking out from line six of the same section the word "forty," and inserting in place thereof the words "one hundred," and further by adding to said section after the words "in cash," in line ten thereof, the words: "and said company is hereby authorized to issue its bonds for the purposes named in this charter to an amount not exceeding in the aggregate one half of its capital stock paid in at the time of issuing said bonds." Section nine of said charter is hereby amended by striking out from lines two to six inclusive the words: "shall have the effect of a judgment in favor of the owners of said property, or of the person or corporation sustaining such damages, as the case may be, against said corporation for the amount of the assessment made by said committee," and inserting in place thereof the words: "shall be final as to the amount of damages and other facts found therein."

Approved. April 25 1887

Incorporating the Thompsonville Water Company.

Resolved by this Assembly: SECTION 1. That Charles H. Briscoe, Loren H. Pease, Frederick E. Ely, Shubael Parsons, George H. Barber, Albert W. Allon, Benjamin F. Lord, and John Hunter, with such persons as may hereafter be associated with them for the purpose of supplying the village of Thompsonville and vicinity in the town of Enfield with pure water, their successors and assigns be, and they hereby are, incorporated under the name of The Thompsonville Water Company, and by that name shall be, and hereby are, made capable in law to buy, sell, hold, and enjoy to them and their successors real and personal estate, so far as may be convenient or necessary to give effect to the specified purpose of the corporation, and the accommodation of their business; to sue and be sued, plead and be impleaded, defend and be defended in the courts of this state and elsewhere; to have a common seal, which may be changed or renewed at pleasure, and to establish such by-laws and rules for the government of the corporation, not being contrary to law, as may be convenient or necessary.

SEC. 2. The capital stock shall be ten thousand dollars, with liberty to increase the same from time to time to thirty thousand dollars, divided into shares of twenty-five dollars each, transferable as provided by the by-laws.

SEC. 3. The persons heretofore named, or a majority of them, shall open books to receive subscriptions to the capital stock, under such regulations at such times and places, as they, or a majority, shall direct, giving reasonable notice of such time and place; and in case an amount of not less than five thousand dollars shall be subscribed, proceed to the organization of the company; and are hereby authorized to call the first meeting of the stockholders in such way and at such time and place as they may appoint for the choice of directors of the company.

SEC. 4. The management of the corporation shall be invested in a board of not less than three nor more than five directors, chosen by the stockholders, each of whom shall be entitled to one vote for each share owned by him, in person or by proxy. The directors shall hold their office for one year and until others are chosen in their places; and shall choose from their number a president, treasurer, and secretary, and have power to fill vacancies in their board until the next annual meeting.

SEC. 5. The stockholders shall fix the time for the annual meeting.

for the choice of directors; and if it shall happen that an election of directors shall not be made on the day of the annual meeting, the company shall not for that reason be dissolved, but the meeting shall be held by the appointment of the directors for the purpose of said election.

SEC. 6. The directors may require the payment of the subscriptions to the capital stock upon such conditions, at such times and places, and in such proportions as they may deem proper; and on refusal or neglect of payment, cause suit to be brought to recover such amounts as may become due of such subscriptions, and pursue the same to final judgment.

SEC. 7. In case of neglect or refusal to make payment of stock subscriptions or installments of the same after they become due, the stock of any delinquent stockholder, or so much as may be necessary thereof, may be sold under the direction of the board of directors at public auction or otherwise, after the lapse of sixty days from the time when payment became due, and after deducting the payments due the company, with the interest thereon, and the necessary expenses of the sale, the surplus, if any, shall be paid over to such delinquent stockholder. The directors shall also have power to make rules and regulations for managing the business of the company, unless the same shall be made by the company.

SEC. 8. Said company shall have full power and is hereby authorized and empowered to construct, maintain, and repair such reservoirs as it may deem expedient or necessary; to construct, repair, and maintain dams across such streams as it may deem necessary, and to take, hire, or rent any lands, water-springs, dams, or works, and to construct, repair and maintain such pipes, canals, or aqueducts as may become necessary or convenient for the conveyance of water to such points as it may desire in or near said village. And said corporation is hereby authorized and empowered to open the ground in any streets, highways, and public grounds, with the consent of the selectmen, for the purpose of building, laying down, sinking, and repairing such pipes or conduits as may be required for conducting and distributing water within said village, provided it shall put such streets, highways, and public grounds in as good condition as before said laying, constructing, or repair.

SEC. 9. Said company shall be liable to pay all damages that shall be sustained by the taking of land, water, or real estate, or the laying or building of any pipes, aqueducts, or other works for the purpose of this act; and if at any time it shall appear that any person or persons have suffered or are likely to suffer any damage by reason of taking their land, water, or estate, or the water of any stream to the prejudice of such person or persons, and such person or persons have not agreed with the company for such damage, land, or estate, said company, person, or persons may apply in writing to the court of common pleas for Hartford county, or to the judge thereof, giving reasonable notice, or such notice as the court or judge shall order, to the adverse party, of such application; and thereupon said court shall appoint some disinterested person or persons, not more than three in number, who shall, after reasonable notice to the parties, assess, if the facts require, just damages to the respective owners or parties interested in the premises so required and taken, which assessment shall be in writing, signed by said assessor or assessors, and shall be returned to the clerk of said court, who shall

record it with the application. Said company shall pay the damages, assessed to the respective owners or persons entitled to the same; or in case the owners or parties aforesaid are then unknown, shall pay the same within thirty days to the clerk of said court, to be by him paid to such persons as said court shall direct.

SEC. 10. The agents of said company may, at all reasonable times, enter all premises supplied by it with water, to examine the pipes and fixtures and prevent waste; and if any person shall, without consent of the company, use any of said water, a civil action may be maintained against such person for recovery of the value thereof.

SEC. 11. If any person or persons shall wilfully or maliciously divert the water, or any part thereof, of any of the aqueducts, reservoirs, streams, water-courses, or water sources, which shall be taken, used, or constructed by said company, or shall corrupt the same, or render it impure, or commit any nuisance therein, or bathe within the limits that shall be taken or prescribed by said company under the provisions of this act, or shall destroy or injure any aqueduct, pipe, reservoir conduit, hydrant, machinery, building, or structure, or other property held, owned, or used by said company by the authority or for the purposes of this act, every such person or persons shall be liable to said company in treble damages therefor.

SEC. 12. This act may be amended or repealed at the pleasure of the general assembly, and shall be considered to all intents and purposes a public act.

Approved, March 24, 1880.

INCORPORATING THE STAFFORD SPRINGS AQUEDUCT COMPANY.

Resolved by this Assembly: SECTION 1. R. S. Hicks, W. H. Cooley, James McLaughlin, and R. D. Davidson, and all such other persons as are or may be from time to time associated with them, for the purpose of supplying the borough of Stafford Springs with pure water for public and private use, their successors and assigns, are hereby incorporated for said purpose, under and by the name and style of Stafford Springs Aqueduct Company, to be located in the town of Stafford, and by that name shall be, and hereby are, authorized and empowered to have, purchase, and hold to them and their successors all such property as is or may be necessary and proper for the purposes of this company, and for the accommodation and transaction of its business, and the same to sell, convey, and dispose of.

SEC. 2. The capital stock of this company shall consist of ten thousand dollars, with the privilege of increasing the same to one hundred thousand dollars, to be divided into shares of twenty-five dollars each.

SEC. 3. The persons named in the first section hereof, or a major part of them, shall open books to receive subscriptions for the capital stock of said company at such times and places as they or a majority of them shall direct, and shall give such notice of the times and places of opening such books as they may deem reasonable, and shall receive said subscriptions under such regulations as they may adopt for the purpose.

SEC. 4. The government and direction of said company shall be vested in a board of not less than three nor more than seven directors, who shall be chosen by the stockholders of said company in the manner

hereinafter provided, and a majority of said directors shall constitute a quorum. Said directors shall hold their offices for the term of one year and until others are duly elected and qualified in their places; and the directors shall elect one of their number to be president of their board, who shall also be president of said company; they shall also choose a secretary and treasurer, which treasurer shall give bonds with surety to said company in such sums as said directors may require for the faithful discharge of his trust.

SEC. 5. The persons authorized in the third section of this act to open the books for subscriptions to the capital stock are hereby authorized and directed, after the books for subscriptions to the capital stock of said company are closed, to call the first meeting of the stockholders of said company in such way and at such time and place as they may appoint, for the choice of directors of said company; and in all meetings of the stockholders of said company each share of stock shall entitle the holder to one vote, which may be given by said stockholder in person or by lawful proxy; and the annual meeting of the stockholders of said company for the choice of directors shall be holden in the borough of Stafford Springs, at such time and place and on such notice as said company may in their by-laws prescribe.

SEC. 6. The directors of said company may require the payment of the sum or sums subscribed to the capital stock of said company in such installments and on such conditions as they may see fit; and in case any stockholder shall neglect to make payment pursuant to the requisitions of the board of directors, so much of the stock of such stockholder as may be necessary may be sold at public auction by the directors, after the lapse of sixty days from the time or times such payment became due; and after deducting and retaining from the avails of such sales the payment or payments due, and the interest thereof, and the necessary expenses of the sale, the surplus, if any, shall be paid over to such negligent stockholder by the directors.

SEC. 7. Said company shall have full power, and it is hereby authorized and empowered, to open the grounds in any streets, lanes, avenues, highways, and public grounds, for the purpose of laying down and sinking, or for repairing, such pipes or conduits as may be necessary for conducting water to, and distributing the same within or in the vicinity of, the borough of Stafford Springs, with the consent and under the direction of the selectmen of the town of Stafford, and said company may, for the purposes aforesaid, carry and conduct any aqueduct or other works by them to be made and constructed, under or over any water-course, street, turnpike road, railroad, highway, or other way, or public grounds; *provided*, they put such water-course, turnpike road, railroad, highway, or other way, as speedily as possible in as good and perfect condition as before laying and constructing said aqueduct and other works; and *provided*, that any work done upon any railroad shall be done under the supervision and direction of the company owning or operating such railroad.

SEC. 8. The said company shall have full power, and are hereby authorized and empowered, under the provisions of this charter herein named, to construct, repair, and maintain such reservoir and reservoirs as they may deem expedient or necessary; to take and use the water of any

spring or springs, stream or streams, or other water in the towns of Stafford, Union, Willington, Somers, Tolland, and Ellington, to such extent and in such manner as they may deem necessary and expedient in carrying into effect the object of this act; also to construct, repair, and maintain such canals or aqueducts as may be now or hereafter may become necessary or convenient for the conveyance of water to such points as they may desire; also to take and hold, by purchase or otherwise, lands or other real estate necessary for the purpose of this act, and for laying and maintaining aqueducts and reservoirs for holding, conducting, and distributing water, and for all buildings and structures necessary for the more perfect and complete supply of the borough of Stafford Springs with pure water for public, mechanical, and private uses, and for preserving said lands and water for the uses of said company pure and free from all contamination and nuisances, drains and sewers; and said company may make, establish, and enforce all necessary and proper regulations and by-laws for the preservation of the same; *provided*, such regulations and by-laws shall not be contrary to the laws of this state or of the United States. And said company may also alter and change the location and grade of any highway which it may be necessary to alter and change for the purpose of constructing and maintaining their reservoir or reservoirs, and the water therein, with the consent and under the direction of the selectmen of the town or towns within which said highway may be located; and for the purpose of altering and changing the grade and location of such highway, may take, by purchase or otherwise as hereinbefore provided, any lands that may be required therefor.

SEC. 9. The said company shall be liable to pay the damages that shall be sustained by any person or corporation by the change of location or grade of any street or highway, or by the construction of said works, or the taking of any land or real estate as aforesaid, or for constructing or laying any pipes, aqueducts, reservoirs, or other works for the purposes of this act; and if the amount of money to be paid for such damages shall not be agreed upon by any person or corporation suffering the same with this company, in writing, then this company, or such person or corporation, or in case any such owner shall be an infant or married woman, or insane, or absent from this state, or unknown, or the owner of a contingent or uncertain interest, either judge of the superior court may, on the application of either party, cause such notice to be given of said application as said judge shall see fit to prescribe; and at the time and place mentioned in said notice said judge shall appoint three disinterested and judicious men (any vacancies in which number to be filled by said judge), who shall, after reasonable notice to the parties, assess just damages, if any, to the respective parties interested in the premises so required and taken by this company; which assessment shall be in writing, under the hands of said persons, and shall be final, and shall be returned with the application to the clerk of the superior court of Tolland county, who shall record it; and said company shall pay to said owner or party the damage so assessed, or deposit the same with the county treasurer, for his or their use, and when the same is paid or deposited, may enter upon the premises and construct and keep in repair their works; or in case the parties aforesaid cannot be ascertained, shall pay the same to the treasurer of

land county, to be by him paid to such person or persons as the superior court may direct. And in case the land or estate which said company may wish to take as aforesaid shall consist of separate parcels owned by different parties, the application made to said judge may include all or any number of said separate parcels, the same being therein specifically described, and said persons so appointed shall assess the damages, if any, separately to the parties owning said separate parcels, and the same shall be proceeded with in all other respects as hereinbefore provided. If said company shall desire to have and take any of the estate of any infant or person *non compos mentis*, the guardian to such infant or person *non compos mentis*, as the case may be, may make agreement with said company for the damages to any such estate so taken, and if such guardian and company do not agree on the damages, such guardian or said company may apply to a judge of the superior court, and proceedings shall be had as aforesaid, in the same manner as if said guardian held such estate in his own right, which shall bind any such infant or incapable person.

SEC. 10. The occupant of any house, tenement, or building, who shall take the water of said company, shall be liable for the price of the rent of the same established by the directors of the company; and the agents of the company intrusted with the superintendence of the works may at all reasonable times enter all premises so supplied, to examine the pipes and fixtures, and prevent any unnecessary waste or unauthorized use, and if any person shall, without the consent of the company, use any of said water, a civil action may be maintained against said person or persons by said company for the recovery of damages therefor.

SEC. 11. If any person or persons shall wilfully, wantonly, or maliciously divert the water of the company, or any part thereof, from any of the aqueducts, reservoirs, pipes, streams, water, or water-courses which shall be taken, used, or constructed by said company, or shall corrupt the same, or render the same impure, or commit any nuisance therein, or shall destroy or injure any aqueduct, pipe, reservoir, conduit, hydrant, machinery, embankment, masonry, building, or other property held, owned, or used by said company by the authority or for the purposes of this act, every such person or persons shall be liable to said company in treble damages therefor, and shall be held guilty of a misdemeanor.

SEC. 12. The company shall cause to be kept at their proper place of business books of account in which shall be fairly and truly entered all the transactions of the company; which books shall at all reasonable times be open for the inspection of the stockholders of the company.

SEC. 13. Said company shall have power and authority to issue its bonds to an amount not exceeding one-half of its capital stock for the purchase of real estate, easements, machinery, and pipes, and the erection of buildings, making excavations and embankments, and performing other operations necessary or incident to the prosecution or completion of its works for the purposes herein specified; said bonds to bear a rate of interest not exceeding six per cent. per annum, with interest payable semi-annually, and shall in no case be issued for a sum less than fifty dollars. Said bonds shall be countersigned by the president and secretary of said company, and shall be by them certified on the face to be for an amount in the aggregate not exceeding one-half its capital stock; and said bonds

when so issued shall be a lien and incumbrance in the nature of a mortgage on said property, and take precedence of any other incumbrance on said property; and said president and secretary shall annually make return to the town clerk of the town of Stafford stating the amount so issued by said company.

SEC. 14. Nothing in this resolution shall permit said company to take the water of any stream feeding Dennis' Mill Pond in the town of Stafford, except by the consent of E. C. Dennis, his heirs or assigns.

SEC. 15. This act shall be taken to be a public act, and may be amended or repealed at the pleasure of the general assembly.

Approved April 17, 1833.

INCORPORATING THE WINDSOR LOCKS WATER COMPANY.

Resolved by this Assembly: SECTION 1. That G. E. Chaffee, B. M. Douglass, E. D. Coogan, S. B. Douglass, A. W. Converse, H. C. Douglass, E. B. Bailey, J. T. Coogan, and J. Warren Johnson, together with such other persons as may now or hereafter be associated with them for the purpose of supplying the town of Windsor Locks and vicinity with pure water for public, domestic, and other uses, their successors and assigns, be and they are hereby incorporated by the name of The Windsor Locks Water Company, and by that name shall be and are hereby made capable in law to have, purchase, possess, and enjoy, to themselves and their successors, lands, tenements, and effects of whatsoever kind and quality necessary for the specified purposes of the said company, and to grant, sell, convey, and dispose of the same, to sue and be sued, plead and be impleaded, defend and be defended in all courts in this state or elsewhere; also to make such by-laws as shall be deemed necessary for the government of said corporation not being contrary to this act, the laws of this state, or of the United States; and to do all and singular the things which to them may or shall appertain, subject to the provisions hereinafter prescribed.

SEC. 2. The capital stock of said company shall be ten thousand dollars, twenty-five per cent. of which shall be paid in before said company can exercise the privileges and powers herein conferred. Said capital stock may be increased to a sum not exceeding forty thousand dollars at the option of said company, and the said capital stock shall be divided into shares of twenty-five dollars each, but no stock shall be issued except as the same shall be paid for in cash.

SEC. 3. The persons named in the first section of this act, or a majority of them, shall open books to receive subscriptions to the capital stock of said company, and shall receive said subscriptions under such regulations as they may adopt for the purpose, and proceed to the organization of said company as herein provided.

SEC. 4. The government and direction of the company shall be

vested in a board of not less than five nor more than nine directors, a majority of whom shall be a quorum for the transaction of business, and they shall elect one of their number to be president of the board, who shall be president of the company.

SEC. 5. The persons authorized by the third section of this act to open books for subscriptions to the capital stock are hereby authorized and directed, after twenty-five per cent. of the capital stock has been subscribed for, to call the first meeting of the stockholders, at such time and place as they may appoint, for the choice of directors of said company; said directors may call in subscriptions to the capital stock in any manner which they shall deem for the best interest of the company; said directors shall hold their office for one year, or until others are elected in their stead.

SEC. 6. Said company shall have full power, and is hereby authorized and empowered, to open the grounds in any streets, lanes, avenues, highways, and public grounds of said town for the purpose of laying down and sinking or for repairing such pipes or conduits as may be necessary for conducting water to and distributing the same within or in the immediate vicinity of the town of Windsor Locks; *provided*, that such streets and public grounds shall not be injured, but be left in as good condition as before the laying of said pipes; and, also, said company shall repair all defects or injuries to said streets, avenues, lanes, highways, and public grounds caused by its use of the same, for the purposes of this act, to the satisfaction of the selectmen of the said town. Said company may take and use the water of any spring or springs, stream or streams, or other water to such an extent and in such manner as may be necessary and expedient; also to build reservoirs, aqueducts, and tanks, and to do anything needful to carry out the object of this act.)

SEC. 7. Said company shall pay all damages that shall be sustained by any person or persons or corporation in their property or estate by the taking of any real estate or easement, or by taking water from any spring or springs, stream or streams, or any other water, or by constructing any reservoirs, aqueducts, or tanks, or by laying any pipes for the purpose of carrying out the provisions of this act, which damage, unless the same shall be agreed upon by the parties, shall be assessed by a committee to be appointed by the superior court of Hartford county, upon application made to said court by said corporation, or by any person or corporation sustaining such damage, which application shall be accompanied by a summons served upon the owner of the property as in case of civil process before said court.

SEC. 8. The committee appointed by said court shall consist of three disinterested men, who, after being sworn and giving reasonable notice, shall hear the parties, view the property in question, ascertain its value, assess just damages, if any, to the respective owners or parties interested in the premises or property so damaged or required and proposed to be taken for the purposes of this act, as the case may be, to the party or parties, and report their doings to the court, and such report may be rejected in the discretion of the court.

SEC. 9. The acceptance of the report of such committee shall have the effect of a judgment in favor of the owner of said property, or of the person or corporation sustaining such damages, as the case may be, against said corporation for the amount of the assessment made by said committee, and said court may make any order necessary for the protection of the rights of all persons or corporations interested in said property or sustaining such damages; but said property shall not be taken or interfered with by said corporation until the amount of said judgment shall be paid to the person to whom it is due, or deposited for his use with the treasurer of Hartford county.

SEC. 10. The occupant of any house, tenement, or building who shall take the water of said company shall be liable for the price of the rent of the same, and the agents of said company intrusted with the superintendence of the works may at all reasonable times enter the premises so supplied, to examine the pipes and fixtures, and to prevent unnecessary waste.

SEC. 11. Any person living within the limits of the town of Windsor Locks shall be entitled to have and use water from the mains of the said company, upon complying with the by-laws of said company, and paying a reasonable compensation therefor.

Approved, March 31, 1887.

AMENDING THE CHARTER OF THE THOMPSONVILLE WATER COMPANY.

Resolved by this Assembly: That on the twenty-fourth day of March, 1880, be and the same is hereby amended to read as follows: The capital stock shall be thirty thousand dollars, with liberty to increase the same from time to time to a sum not exceeding in the whole fifty thousand dollars, divided into shares of twenty-five dollars each, transferable as provided by the by-laws.

SEC. 2. Section eight of said resolution is hereby amended by adding thereto the following: Said company shall have power and authority to issue its bonds, secured by a mortgage upon its franchise and property, real or personal, or both, to an amount not exceeding one-half the aggregate amount of the capital stock actually paid in and expended by said company for the purposes specified.

Approved, March 25, 1885.

1887.]

OF CONNECTICUT.

557

[House Joint Resolution No. 63.]

[122.]

AMENDING THE CHARTER OF THE THOMPSONVILLE WATER COMPANY.

Resolved by this Assembly: SECTION 1. That the Thompsonville Water Company be, and is hereby, authorized and empowered to extend its works so as to supply the citizens of the town of Enfield, and of the village of Warehouse Point and vicinity, in East Windsor, with water for domestic and other purposes. Said company is also hereby authorized and empowered to open the ground in any streets, highways, and public grounds, with the consent of the selectmen of the towns respectively, for the purpose of building, laying down, sinking, and repairing such pipes or conduits as may be required for conducting and distributing water within the aforesaid limits; *provided*, it shall put such streets, highways, and public grounds in as good condition as before laid, laying, constructing, and repairing.

SEC. 2. Section eleven of the resolution incorporating the Thompsonville Water Company (approved March twenty-fourth, 1880) shall apply to all the new constructions of said company under this resolution.

SEC. 3. Said company shall have power to increase its capital stock to an amount not exceeding one hundred thousand dollars in the whole, divided into shares of twenty-five dollars each, transferable as provided in the by-laws; and shall also have power to issue its bonds secured by mortgage upon its franchise and property, real or personal, or both, to an amount not exceeding one-half the aggregate amount of the capital stock actually paid in and expended by the company.

Approved, March 24, 1887.

[House Joint Resolution No. 23.]

[21.]

AMENDING THE CHARTER OF THE THOMPSONVILLE WATER COMPANY.

Resolved by this Assembly: SECTION 1. That The Thompsonville Water Company be and it is hereby authorized and empowered to lay its water pipes in and across the Connecticut river between Enfield and Suffield, and to supply water to persons in said Suffield, and to dig and lay water pipes in the highways, with consent of the selectmen, under the same restrictions provided in the act amending the charter of the company (approved, March 24, 1887).

SEC. 2. The acceptance by said company of all former amendments to its charter is hereby ratified, and said amendments are hereby made a part of its charter.

Approved, February 26, 1889.

AMENDING CHARTER OF THE WINDSOR LOCKS WATER COMPANY.

Resolved by this Assembly: SECTION 1. That the resolution amending the charter of the Windsor Locks Water Company, (approved April 25, 1887,) be and the same is hereby amended by striking out the words "and said company is hereby authorized to issue its bonds for the purposes named in this charter to an amount not exceeding in the aggregate one-half of its capital stock paid in at the time of issuing said bonds," and inserting in lieu thereof the following:

"Said company shall have power and authority to issue its bonds for the purposes named in this charter to an amount not exceeding three-quarters of its capital stock, said bonds bearing interest at a rate not exceeding six per centum per annum, which interest shall be payable semi-annually; and to secure the same by a mortgage or deed of trust of all its property both real and personal, which mortgage when duly executed, acknowledged, and recorded shall be deemed valid and effectual as respects all the property therein included, and may be foreclosed in the same manner as ordinary mortgages of real property."

SEC. 2. Said charter is further amended by adding to said amendment (approved April 25, 1887), the following section: "All the property real and personal of said corporation, and its capital stock and bonds, shall be exempt from taxation by a majority vote of the town of Windsor Locks at any town meeting legally and specially warned for that purpose for the period of ten years from the date and passage of said vote."

[NOTE BY THE SECRETARY.—The above resolution not having been returned by the Governor within the time limited by the constitution, became a law without his approval February 23, 1889.]

[House Joint Resolution No. 112.]

INCORPORATING THE VILLAGE WATER COMPANY OF SUFFIELD.

Resolved by this Assembly: SECTION 1. That William L. Loomis, Edward A. Fuller, Leavitt P. Bissell, A. N. Graves, George F. Kendall, Waldo S. Knox, J. B. Fairfield, W. E. Graves, R. F. Brome, Calvin C. Spencer, A. R. Pierce, S. W. Clark, J. W. Spelman, W. W. Cooper, Edmund Halladay, and Leverett N. Austin, with all such persons as may hereafter associate with them for the purpose of supplying the town of Suffield and vicinity with pure water for public, domestic, and other uses, their successors and assigns, be and they are hereby incorporated

under the name and style of The Village Water Company of Suffield, and by that name shall be and are hereby made capable in law to have, purchase, receive, possess, and enjoy, to them and their successors, lands, rents, tenements, goods, chattels, and effects of whatever kind and quality necessary to give effect to the specified purpose of the said company, and for the accommodation of it, and to grant, sell, convey, and dispose of the same; to sue and be sued, plead and be impleaded, defend and be defended in all courts in this state or elsewhere; to have a common seal, and the same to renew at pleasure; also to make, ordain, and establish such by-laws as shall be deemed necessary and convenient for the government of said corporation, not being contrary to the laws of this state or of the United States, and to do and execute all and singular the matters and things which to them shall appertain, subject to the provisions hereinafter contained.

SEC. 2. Said company shall be located in the town of Suffield; its capital stock shall be twenty thousand dollars, and shall be divided into shares of one hundred dollars each, and when twenty-five per centum thereof has been subscribed and ten per centum of such subscription has been paid in, said company shall exercise the powers and privileges herein conferred. Said capital stock may be increased to fifty thousand dollars at the pleasure of said company.

SEC. 3. The persons named in the first section of this act, or a majority of them, shall open books for subscriptions to the capital stock of said company, and shall receive said subscriptions under such regulations as they may adopt for the purpose; and when twenty-five per centum of the capital stock has been subscribed for, the persons authorized by this section to open books for the subscription to the capital stock are hereby authorized and directed to call the first meeting of the subscribers to the capital stock at such time and place as they may appoint, for the choice of directors of said company; said directors may call in subscriptions to the capital stock and require the same to be paid by instalments at such times and places as they shall deem proper, giving such notice thereof as the by-laws and regulations of said corporation shall prescribe, and in case any stockholder shall neglect or refuse payment of such instalment or instalments for the term of thirty days after the same shall have become due and payable, and after due notice thereof, the stock of said negligent stockholder, or so much thereof as may be necessary, shall be sold by the directors at public auction, on giving at least ten days' notice of such sale in some newspaper published in Hartford county, and the proceeds of such sale shall be applied in payment of said instalment and the expenses attending said sale, and the balance, if any, shall be returned to such negligent stockholder, and such sale shall entitle the purchaser to all the rights of a stockholder to the extent of the shares so purchased.

SEC. 4. If any annual meeting which may be required by the by-laws of said corporation shall not be held at the time fixed, or if directors shall not be elected on the day provided by the by-laws for such election, said corporation shall not for such cause be deemed to be dissolved, but such annual meeting and meeting for the election of directors may be held on any day thereafter which the directors may appoint.

SEC. 5. The government and direction of said company shall be

vested in a board of not less than five nor more than nine directors, a majority of whom shall be a quorum for the transaction of business; the number of said directors shall be fixed by the by-laws; they shall be chosen by ballot from among and by the stockholders and shall hold their offices until the next annual meeting, and until their successors are elected; and all meetings of said corporation shall be held at such time and place as shall be determined by the by-laws of such corporation. In the choice of directors as aforesaid, and in the determination of any question at any stockholders' meeting, each stockholder present, or represented by attorney, shall be allowed one vote for each and every share of stock by him held. The directors of said corporation, a majority of whom shall constitute a quorum, shall elect from their number a president, secretary, treasurer, and such other officers as shall be provided for by the by-laws, but such other officers need not be directors or stockholders of the corporation. The treasurer shall give such bonds as the directors shall require. All vacancies in the board of directors shall be filled by the remaining directors from among the stockholders, and such directors shall hold office until their successors are chosen by the stockholders at an annual meeting, or a meeting called for that purpose.

SEC. 6. The stockholders shall make such by-laws and regulations, not contrary to the laws of this state or of the United States, as they shall deem necessary and proper, touching the disposition and management of the property and business of the corporation, the transfer of shares, and the duties and salaries of officers. The directors shall have power to make and declare a dividend among the stockholders from time to time as the profits of the business shall warrant.

SEC. 7. Said corporation is hereby authorized and empowered to open the ground in any street, highway, or public ground of the towns of Suffield or Windsor Locks for the purpose of laying down or repairing such pipes or conduits as shall be necessary for conducting water to and distributing water within said towns of Suffield and Windsor Locks; and said corporation for the purposes aforesaid may construct any aqueduct or other works under or over any water course, street, highway, railway, or public ground; *provided*, such water course, street, highway, railway or public ground, as speedily as possible, be put in as good condition as before constructing such aqueduct or other works, and subject to the approval of the selectmen of the town.

SEC. 8. Said corporation is hereby authorized and empowered to construct, build, repair, and maintain such reservoirs, aqueducts, dams, tanks, or standpipes, and also to take water from any brooks, springs, ponds, lakes, or from any other source as said corporation may desire, within the towns of Suffield and Windsor Locks, for the purpose of carrying out the provisions of this act, and may make and enforce all necessary by-laws and regulations for the purpose of preserving said water pure and free from all contamination and nuisance, and from drains and sewers; *provided*, such by-laws and regulations shall not be contrary to the laws of this state or of the United States.

SEC. 9. Said corporation shall pay all damages that shall be sustained by any person or corporation in their property by the taking of any real estate or easement, by the taking of any water, or by laying

any pipes, aqueducts, or constructing any dams or reservoirs or other works for the purposes of this act, which damage, unless the same shall be agreed upon by the parties interested, shall be assessed by a committee to be appointed by the superior court for Hartford county, upon application made to said court by said corporation, or by any person or corporation sustaining such damage, which application shall be accompanied by a summons and served upon the owner of the property as in case of civil process before said court.

SEC. 10. The committee appointed by said court shall consist of three disinterested men, who, after being sworn and giving reasonable notice, shall hear the parties, view the property in question, assess just damages, if any, to the respective owners interested in the premises or property damaged or proposed to be taken, and report their doings to the court; and such report may be rejected in the discretion of the court.

SEC. 11. Said court may make any order necessary for the protection of the rights of any and all persons and corporations interested in said property or sustaining such damage, but said property shall not be taken or used by said corporation until the amount of such judgment shall have been paid to the person to whom it is due, or deposited for his use with the treasurer of the town of Suffield; and in case the land or rights which the corporation shall wish to take shall consist of separate parcels owned by different parties, the application made to the superior court may include all or any number of separate parcels, the same being therein specifically described; and said persons so appointed shall assess the damages, if any, separately to the parties owning the separate parcels, and the same shall be proceeded with as hereinbefore provided.

SEC. 12. The occupant of any house, tenement, or building, who shall take the water of said corporation, shall be liable for the price of the rent of the same, as well as the owner of such house, tenement, or building, and the agents of said corporation may, at all reasonable times, enter the premises so supplied, to examine the pipes and fixtures and to prevent unnecessary waste.

SEC. 13. Any person living or owning property within the limits of the town of Suffield, past whose property the pipes of this corporation run, shall be entitled to have and use water from the mains of said corporation, upon complying with the rules and regulations of said corporation.

SEC. 14. If any person shall wilfully, wantonly, or maliciously divert or obstruct the water or any part thereof, from or in any aqueduct, reservoir, stream, or spring, or other place which shall have been taken, used, or constructed by said corporation, or shall contaminate the same in any way, such person so offending shall be liable to said corporation in triple damages therefor.

SEC. 15. Said corporation may borrow money, from time to time, to such an amount and upon such terms as the stockholders at a meeting or meetings duly called for that purpose may determine to be for the best interests of the corporation, and shall have power and authority to issue its bonds, and secure the payment of the same by a mortgage or mortgages of its franchise and property. Said mortgage or mortgages,

when recorded in the land records of the town of Suffield, shall be a valid lien or liens upon said franchise and property. But the total amount of said bonds shall at no time exceed the actual amount paid in in cash to the capital stock of said corporation.

SEC. 16. At all meetings of this corporation a majority vote of the stock shall decide all questions, provided one-third of all the stock is represented.

SEC. 17. In case this company shall fail to organize within one year from the date of approval of this resolution, and shall fail to secure the *bona fide* subscriptions of all the capital stock herein authorized, within the said time, then this charter shall be null and void.

Approved, May 8, 1895.

[House Joint Resolution No. 192.]

[140.]

AUTHORIZING THE THOMPSONVILLE WATER COMPANY TO INCREASE ITS CAPITAL STOCK.

Resolved by this Assembly: SECTION 1. That The Thompsonville Water Company be and it is hereby authorized and empowered to increase its capital stock to an amount not exceeding one hundred and fifty thousand dollars in the whole, divided into shares of twenty-five dollars each, transferable on the books of the corporation and according to law; and to distribute said new stock to the stockholders or others, or to sell the same or any part thereof on such terms and at such rates as shall be determined on by the stockholders at any meeting called for that purpose within two years from the passage of this resolution.

SEC. 2. This resolution shall not take effect until the same has been accepted by a vote of at least two thirds of the stockholders of said company present at a meeting specially called for that purpose in accordance with the by-laws of said company.

Approved, April 17, 1901.

[Senate Joint Resolution No. 49.]

[21.]

AUTHORIZING THE THOMPSONVILLE WATER COMPANY TO INCREASE ITS CAPITAL STOCK.

Resolved by this Assembly: That The Thompsonville Water Company may, from time to time, increase its capital stock to an amount not exceeding, in the aggregate, one hundred and fifty thousand dollars, but such increase shall be made only when authorized by a two-thirds vote of the stock represented, in person or by proxy, at a meeting of said corporation specially warned for that purpose, and said stock shall be issued at par, and paid for in cash or its equivalent.

Approved, March 9, 1911.

[Substitute for Senate Bill No. 293.]

[388.]

AN ACT AMENDING THE CHARTER OF THE THOMPSONVILLE
WATER COMPANY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

SECTION 1. The Thompsonville Water Company may, from time to time, increase its capital stock to an amount not exceeding in the aggregate four hundred thousand dollars, but such increase shall be made only when authorized by a two-thirds vote of the stock represented in person or by proxy at a meeting of said corporation specially warned and held for that purpose; and such stock shall be issued at par for cash or its equivalent. Said corporation is hereby authorized to change the par value of its stock from twenty-five dollars to one hundred dollars per share if approved by a two-thirds vote of the stock represented in person or by proxy at a meeting of said corporation specially warned and held for that purpose.

SEC. 2. The Thompsonville Water Company is hereby authorized to issue its bonds to an amount not exceeding seventy-five per centum of the full-paid outstanding capital stock of the corporation. All bonds issued by said corporation under the provisions of this act may be secured by a mortgage of all or any part of its property, real or personal, or both, its rights, privileges, or franchises, and shall be binding upon said corporation according to the tenor thereof.

SEC. 3. Said corporation is hereby authorized, subject to the approval of the public utilities commission, to sell its rights, privileges, and franchises to, or to lease, purchase, merge, or consolidate with, any company authorized to sell water for public or domestic use within the limits of Hartford or Tolland county, and may issue its stock or bonds, in addition to the amount authorized by sections one and two hereof, or both, in exchange for those of any other such company or in payment for the same, and in case of such merger or consolidation the consolidated company shall be vested with all the rights, privileges, franchises, and properties of the consolidating companies with the same force as if the charters of such companies had been granted to the consolidated company originally, and any companies authorized to sell water are hereby authorized to lease, sell, merge, or consolidate with said corporation.

SEC. 4. Said corporation is hereby authorized to sell water to any company authorized to sell water for either public or domestic use within the limits of Hartford or Tolland county or to any individual or corporation without the limits of this state, and is hereby authorized to lay its pipes, mains, and conduits through the streets and highways and through private lands necessary to make connections within the territory aforesaid upon making due compensation to the

owner of such private lands as provided in section nine of its charter; to make its connections to enable it to supply water to other companies authorized to supply water for public or private use or to individuals but said corporation shall not sell water in the territory of any other water company without the written consent of such other company. In case it is necessary to take water from any stream outside the state, said corporation shall be liable to pay damages that shall be sustained by any person or corporation in property or estate by the taking of such water, whether such person resides or such corporation is located within or without the state. Such damages shall be assessed as provided in section nine of its charter.

SEC. 5. This act shall take effect January 1, 1916.

Approved, May 19, 1915.

[246.]

AN ACT EXTENDING THE TIME WITHIN WHICH THE SOMERS
ELECTRIC COMPANY MAY ORGANIZE AND AMENDING
THE CHARTER OF SAID COMPANY.

*Be it enacted by the Senate and House of Representatives in General
Assembly convened:*

SECTION 1. The time within which The Somers Electric Company, incorporated under the provisions of a resolution approved June 18, 1903, may organize, is hereby extended to the first day of January, 1916.

SEC. 2. Section one of said charter is hereby amended by striking out the names of J. M. Sheehan and S. Rockwell and inserting in lieu thereof the names of Charles S. Fuller and A. L. Hurd.

SEC. 3. Said company is hereby authorized to take water from any of the streams, springs, and waters within the town of Somers, for the purpose of distributing and selling the same as hereinafter provided, and for such purpose may build and maintain such dams, reservoirs, aqueducts, and other works, and lay and maintain such pipes and mains as it may deem necessary or expedient, and may

open the ground in any streets, highways, and public grounds for the purpose of laying its pipes and mains, and may carry and conduct its pipes, mains, or aqueducts under or over any water course, street, or public ground, provided any such street, highway, or public ground shall, as speedily as is reasonably possible, be put in as good condition for public travel as theretofore. Said company is hereby authorized to take or obtain water from any stream, springs, or waters outside the state and conduct the same within the state for the uses of the company.

SEC. 4. Said corporation shall pay all damages that shall be sustained by any person or corporation to his or its property by the taking of any real estate or easement therein, or by the taking of water, or by the building of any dam, reservoir, aqueduct, or other work, or by the laying of any pipe or main, which damages, unless they shall be agreed upon by the parties interested, shall be assessed by a committee appointed by the superior court upon application made by said corporation and be made returnable to the superior court for the county where the property rights or land in question are located. Such application shall be accompanied by a summons signed by a competent authority and returned in the same manner as civil process to said court. Such committee shall consist of three disinterested electors, who, after being sworn and giving reasonable notice of the time and place of meeting, shall hear the parties interested, view the property proposed to be taken, and assess the damages, if any, to the respective owners of or parties interested in the property proposed to be taken or damaged, to which such owners or parties may in the judgment of the committee be entitled. Such committee shall report to said court, and the court shall have the same powers in respect to such report as in the case of other reports made to it by committees by it appointed. Such report, when accepted by the court, shall be final as to the amount of damages and other facts found therein, and said court may make any order or render any judgment to protect the parties interested.

SEC. 5. Said corporation is hereby authorized to furnish and sell water to The Hazardville Water Company or The Thompsonville Water Company, corporations located in the town of Enfield, or to any other incorporated water company, and to make such connections and to lay such pipes and mains as may be necessary to convey water to such other water company. Said corporation shall not furnish water for domestic or fire protection purposes or establish any hydrant in the villages of Scitico and Hazardville without the written consent of The Hazardville Water Company, or in the town of Enfield without the consent in writing of The Thompsonville Water Company, or in the territory of any other incorporated water company without its written consent. Said company is not authorized to operate within the limits of the town of Ellington.

SEC. 6. All persons or corporations supplied with water by said

corporation shall be liable to it for the price or rent of such water, which price or rent shall be determined by said corporation and the agents of said corporation may at all reasonable times enter the premises of persons or corporations so supplied to examine the water pipes, fixtures, and appliances and prevent any unnecessary waste of water.

Sec. 7. The provisions of sections seven and eight of said charter shall be extended to include water companies as well as the classes of companies therein enumerated.

Approved, May 10, 1915.

[364.]

AN ACT INCORPORATING THE SUFFIELD WATER COMPANY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

SECTION 1. Walter P. Schwabe, James A. Turnbull, and William S. Gardner, with such other persons as may be associated with them, are hereby constituted a corporation by the name of The Suffield Water Company, to be located in the town of Suffield, with all the powers described in sections three, fifty-nine, and seventy-one of chapter 194 of the public acts of 1903, and said corporation is authorized, subject to the approval of the public utilities commission, to lease, purchase, acquire, hold, possess, use and enjoy, sell, or dispose of all or any part of the franchises, rights, powers, privileges, plants, property, and appurtenances now or formerly held by the Village Water Company of Suffield, and may acquire, lease, purchase, hold, convey, and dispose of the whole or any part of the capital stock and securities of, and may merge and consolidate with, said Village Water Company, or with any company authorized to sell water for public or domestic use within the limits of Hartford or Tolland county, provided the approval of the public utilities commission shall have been obtained

after due notice and hearing, and in case of such merger or consolidation, the consolidated company shall be vested with all the rights, privileges, franchises, and properties of the consolidating companies with the same force and effect as if the charters of such companies had been granted to the consolidated company originally. This corporation or its successors shall not sell or distribute water in the town of Suffield from any source other than from the wells now supplying the inhabitants of said town without first having secured permission so to do from the public utilities commission after a public hearing, notice of which shall have been given to the selectmen of the town of Suffield, except that in case of an emergency said company may sell and distribute water from another source for a period not exceeding thirty days when said company is not able to obtain water from its present source of supply.

SEC. 2. The capital stock of said corporation shall be ten thousand dollars, and may be increased from time to time to five hundred thousand dollars. Said capital stock shall be divided into shares of one hundred dollars each, and shall not be issued at less than par, and shall be paid for in cash or its equivalent. The incorporators named in section one of this act, or any two of them, shall open books to receive subscriptions to the capital stock of said corporation, at such time and place, under such regulations, and upon such notice, as they shall deem proper, and shall call a meeting of the stockholders of said corporation, on such notice, and at such time and place, as they shall deem proper, for organization, the choice of directors, and other necessary business. Subscriptions to the capital stock shall be made in such manner and on such terms as a majority of the incorporators named in the first section of this act shall prescribe. In case said capital stock is over-subscribed, they may apportion the same among the subscribers thereto.

SEC. 3. The government and direction of said corporation shall be vested in a board of not less than three directors, a majority of whom shall constitute a quorum for the transaction of business. Said directors shall be stockholders, and shall hold their office for the period of one year, and until their successors are chosen and qualified. Said directors shall elect one of their number as president, who shall also be president of the corporation, and shall elect a secretary and a treasurer and elect or appoint an executive committee and such other officers and agents with such duties and powers as they shall deem proper for the transaction of the business of the corporation.

SEC. 4. The directors shall have power to make and prescribe such by-laws, rules, and regulations as they shall deem needful and proper, touching the disposition and management of the stock, property, and business of said corporation, not contrary to the laws and constitution of the United States or of this state or the provisions of this act, and said board of directors shall have power to make and declare

such dividends among the stockholders, from time to time, as the profits and earnings of the business of said corporation shall enable them to do.

SEC. 5. The directors of said corporation may require the payment of the sum or sums subscribed to the capital stock of said corporation at such times and in such proportions and upon such conditions as they may deem fit; and, in case any stockholder shall refuse or neglect to make payment pursuant to the requisitions of the board of directors, the stock of such stockholder, or so much thereof as may be necessary, may be sold under the direction of said board at public auction or otherwise after the lapse of sixty days from the time when the payment became due, and all surplus money, the avails of such sales, after deducting the payments due the corporation and interest thereon and the necessary expenses of the sale, shall be paid to said negligent stockholder.

SEC. 6. Said corporation is hereby authorized to construct, build, repair, and maintain such reservoirs, aqueducts, dams, tanks, or stand-pipes, and also to take water from any brooks, springs, ponds, lakes, or any other source, as said corporation may desire, within the limits of the town of Suffield or towns adjacent thereto, or outside the limits of the state, for the purpose of carrying out the provisions of this act, and may make and enforce all necessary by-laws and regulations for the purpose of preserving said water pure and from all contamination and nuisance, and free from drains and sewers.

SEC. 7. Said corporation shall be liable to pay all the damages that shall be sustained by any person or persons or corporation or corporations in their property or estate by the taking of any land or real estate as aforesaid, or the constructing or laying of any pipes, aqueducts, reservoirs, or other works, for the purposes of this act. If at any time it shall appear that any damage has accrued or may be likely to accrue to any person or persons or corporation or corporations, by reason of the taking of their land or estate for the purposes of this act or in the construction of the works of said corporation, and such persons or corporations have not agreed with said corporation, in writing, for such damages, land, or estate, said corporation or such persons or corporations may apply to the superior court for Hartford county or to any judge of the superior court, who may by law judge between the parties, causing ordinary legal notice, or such notice as any judge of said court may prescribe, to be given to the adverse party of such application; and thereupon said superior court or such judge shall appoint not more than three disinterested and judicious persons (any vacancies in such number which may occur to be filled by said court or judge), who shall, after reasonable notice to the parties, assess just damages, if any, to the respective owners or parties interested in the premises so damaged or required to be taken for the purposes of this act, and report their doings to said court or judge, and said report

may be rejected in the discretion of said court or judge, and if accepted shall be filed with the clerk of said superior court for Hartford county, who shall record it; and said corporation shall pay to such owners or parties the damages so assessed, and when so paid may enter upon the premises and may proceed to the construction of its works, or, in case the owner or parties aforesaid cannot be then ascertained, shall pay the same within thirty days to the treasurer of the county of Hartford, to be by him paid to such person or persons as said court shall direct. In case the land or estate which said corporation may wish to take as aforesaid shall consist of separate parcels owned by different parties, the applications made to the superior court or to said judge may include all or any number of said separate parcels, the same being therein specifically described, and said persons so appointed shall assess the damage, if any, separately to the parties owning said separate parcels, and the same shall be proceeded with in all other respects as hereinbefore provided.

SEC. 8. The occupant of any house, tenement, or building, who shall take the water of said corporation, shall be liable for the price of the rent of the same, as well as the owner of such house, tenement, or building, and the agents of said corporation may, at all reasonable times, enter the premises so supplied, to examine the pipes and fixtures and to prevent unnecessary waste. Any person living or owning property within the limits of the town of Suffield, past whose property the pipes of this corporation run, shall be entitled to have and use water from the mains of said corporation, upon complying with the rules and regulations of said corporation.

SEC. 9. Said corporation may issue its bonds to an amount not exceeding seventy-five per centum of the amount that shall be expended by said corporation in the purchase of land, water rights, privileges, pipes, machinery, or other real or personal property, and in the erection and construction of buildings, ponds, reservoirs, conduits, and other structures and property incident to the construction and operation of a water-works plant and system by said corporation. Said corporation may issue its bonds or stock, in addition to the amount authorized in section two, in payment for the stock, rights, privileges, franchises, and property of any other company which it may purchase or with which it may merge or consolidate, by virtue of the provisions of this act. All bonds issued by said corporation under the provisions of this act may be secured by a mortgage of all or any part of its property, real or personal, or both, its rights, privileges, or franchises, and shall be binding upon said corporation according to the tenor thereof.

SEC. 10. Said corporation is hereby authorized to sell water to any company authorized to sell water for either public or domestic use within the limits of Hartford or Tolland county or to any individual or corporation without the limits of this state, and is hereby

authorized to lay its pipes, mains, and conduits through the streets and highways and through private lands necessary to make connections within said territory, upon making due compensation to the owner of said private lands in accordance with the provisions of section seven; to make connections to enable it to supply water to other companies authorized to supply water for public or private use or to individuals, but said corporation shall not sell water in the territory of any other water company without the written consent of such other company. In case it is necessary to take water from any stream outside the state, said corporation shall be liable to pay damages that shall be sustained by any person or persons or corporations to their property or estate by the taking of such water, whether such persons reside or such corporations are located within or without the state. Said damages shall be assessed as provided in section seven herein.

SEC. 11. If any person or persons shall wilfully, wantonly, or maliciously divert the water of the company, or any part thereof, or of any of the aqueducts, reservoirs, pipes, streams, water, or water courses, which shall be taken, used, or constructed by said company, or shall corrupt the same, or render the same impure, or commit any nuisance therein, or shall destroy or injure any aqueduct, pipe, reservoir, conduit, hydrant, machinery, embankment, masonry, building, or other property held, owned, or used by said company by the authority or for the purposes of this act, such person or persons shall be liable to said company in damages therefor.

Approved, May 19, 1916.

[Senate Bill No. 492.]

[228.]

AN ACT EXTENDING THE TIME WITHIN WHICH THE SUFFIELD
WATER COMPANY MAY ORGANIZE.

*Be it enacted by the Senate and House of Representatives in General
Assembly convened:*

The time for organizing The Suffield Water Company is extended
to January 1, 1919.

Approved, April 26, 1917.

INCORPORATING THE SOMERS WATER COMPANY.

Resolved by this Assembly: SECTION 1: That George E. Keeney, Mayro Keeney, A. L. Hurd, George D. Pease, Charles H. Briscoe, and Amos D. Bridge, and such other persons as shall hereafter become associated with them, be and they are hereby constituted a body politic and corporate by the name of The Somers Water Company, to be located in the town of Somers, and by that name they and their successors and assigns shall be and they are hereby authorized and empowered to take, hold, occupy, possess, and enjoy any goods, chattels, lands, tenements, hereditaments, waters, property, and effects whatever, necessary, proper, or convenient for the purposes and objects of the corporation.

SEC. 2. Said corporation shall have all the rights, powers, and privileges conferred by section three of chapter 194 of the public acts of 1903.

SEC. 3. The main purpose of said corporation shall be to supply the town of Somers and the inhabitants thereof with pure and wholesome water for domestic and other uses, public or private, and, incidentally, protection from fire, and to furnish and sell water to other corporations in said town, and to corporations in adjacent towns which are already incorporated to furnish water for domestic, fire protection, and like public purposes.

SEC. 4. The capital stock of said corporation shall be twenty thousand dollars, which capital stock may be increased in the manner provided by law to an amount not to exceed fifty thousand dollars.

SEC. 5. The persons named in the first section of this resolution, or a majority of them, shall open books to receive subscriptions to the capital stock of said corporation at such time and place and under such regulations as they may deem advisable, and are authorized and empowered, after said books of subscription are closed, to call the first meeting of the stockholders of said corporation at such time and place as they may deem advisable, for the purposes of organizing the corporation and electing a board of directors thereof.

SEC. 6. Said company is hereby authorized and empowered to take water from any of the streams, springs, and waters within the town of Somers as it may desire, for the purposes for which this company is organized, and for such purposes may build and maintain such dams, reservoirs, aqueducts, and other works, and lay and maintain such pipes and conduits as it may deem necessary or expedient, and may open the ground in any streets, highways, and public grounds within said Somers for the purpose of laying its pipes and conduits, and may carry and conduct its pipes, conduits, or aqueducts under or over any water course, street, or public ground; provided, however, that any such street, highway, or public ground shall, as speedily as is reasonably possible, be put in as good condition for public travel as theretofore.

SEC. 7. Said corporation shall pay all damages that shall be sustained by any person or corporation to his or their property by the taking of any real estate or easement therein, or by the taking of water, or by the building of any dam, reservoir, aqueduct, or other work, or by the laying of any pipe, which damages, unless they shall

be agreed upon by the parties interested, shall be assessed by a committee appointed by the superior court upon application, which application shall be made by said corporation, and shall be made returnable to the superior court for Tolland county, or to the superior court for Hartford county, at the option of the applicant. Said application shall be accompanied by a summons signed by a competent authority and returned in the same manner as civil process to said court. Such committee shall consist of three disinterested electors, who, after being sworn and giving reasonable notice of the time and place of meeting, shall hear the parties interested, view the property proposed to be taken, and assess such damages, if any, to the respective owners of or parties interested in the property proposed to be taken or damaged, as said owners or parties interested may in the judgment of the committee be entitled. Such committee shall report their doings to said court, and the court shall have the same powers in respect to said report as in case of other reports made to it by committees by it appointed. Said report, when accepted by the court, shall be final as to the amount of damages and other facts found therein, and said court may make, order, or render any judgment that it may deem just or necessary in the premises to fully protect the parties interested.

SEC. 8. Said corporation is empowered to furnish and sell water to The Hazardville Water Company, or to The Thompsonville Water Company, corporations located in the town of Enfield, and to make such connections with either as may be convenient and necessary, and to lay such pipes and conduits in the streets of Enfield, with the consent of its selectmen, as may be necessary to convey water to either of said companies; but no pipes shall be used to deliver water to any residents of the town of Enfield without the consent, in writing, of The Hazardville Water Company and The Thompsonville Water Company.

SEC. 9. Said corporation shall not be allowed to furnish water for domestic or fire protection purposes or to establish any hydrant in the villages of Scitico and Hazardville, in the town of Enfield, without the written consent of The Hazardville Water Company.

SEC. 10. All persons or corporations supplied with water by this company shall be liable to it for the price or rent of such water, which price or rent shall be determined by said The Somers Water Company in advance; and the agents of said company may at all reasonable times enter the premises of persons so supplied to examine the water pipes, fixtures, and appliances, and prevent any unnecessary waste of water.

SEC. 11. This company is also authorized to sell, deed, lease, or convey all its rights, privileges, property, and franchises to the town of Somers, which said town is hereby authorized and empowered to accept such conveyance.

SEC. 12. The corporation may issue its bonds, and secure the same by mortgage upon its property and franchises, but said bonds shall not at any time exceed in amount seventy-five per centum of the full-paid outstanding capital stock, which mortgage shall be recorded in the land records of the town of Somers.

Approved, June 30, 1905.

[Substitute for House Bill No. 942.]

[272.]

AN ACT CHANGING THE NAME OF THE SOMERS ELECTRIC
COMPANY TO THE SOMERS WATER COMPANY AND
AMENDING THE CHARTER OF SAID COMPANY.

*Be it enacted by the Senate and House of Representatives in General
Assembly convened:*

SECTION 1. The name of The Somers Electric Company is changed to The Somers Water Company, provided a majority of the stockholders of said company shall vote to accept such change, at a meeting held for that purpose, and file sworn copies of such vote with the secretary of the state and the town clerk of Somers.

SEC. 2. Said company may contract, or enter into agreements, with any city, town, borough, fire district or sewer district, in which it may be authorized to do business, for the sprinkling of its streets, highways or public places, or for the construction of water works or a system of sewers or sewage disposal, or for any part or extension, upon such terms and conditions as such city, town, borough, fire district or sewer district and said company may agree upon.

SEC. 3. Said corporation may, from time to time, increase its capital stock, in addition to the amount permitted by section three of its charter, to five hundred thousand dollars, by a vote of at least two-thirds of the stockholders of said company, and shall have all the privileges in relation to such increase conferred upon corporations under the provisions of sections three, fifty-nine and seventy-four of chapter 194 of the public acts of 1903, and the par value of the stock of said corporation may be either twenty-five dollars, fifty dollars, or one hundred dollars per share as may be determined from time to time by a majority vote of the stockholders of the company, provided such stock shall be issued for not less than par and shall be paid for in cash or its equivalent.

Approved, May 7, 1917.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

SECTION 1. Francis M. Charter, Alice L. P. Charter, and Oliver M. Charter, all of Ellington, with such other persons as may be associated with them, are hereby, with their successors and assigns, created a body politic and corporate by the name of The Ellington Water Company, to be located in the town of Ellington, for the purpose of supplying water for public and private use within the village of Ellington in

said town of Ellington, meaning all that territory situated within a radius of one mile from Central park in said village. Said corporation is hereby authorized to take, divert, and use the waters of any streams, springs, lakes, or ponds, within the limits of the town of Ellington, except the waters of Snipsie lake and Crystal lake and the tributaries of each, to build and maintain dams, reservoirs, aqueducts, and other works, and lay and maintain pipes and conduits, and may open the ground within any streets, highways, and public grounds in said town for the purpose of laying its pipes and conduits, and may carry and conduct its pipes, conduits, or aqueducts under or over any street, highway, or public ground, provided any such street, highway, or public ground shall, as speedily as possible, be put in as good condition for public travel as before and be subject to the approval of the selectmen of said town; and said corporation shall have the powers granted to corporations under the provisions of section three of chapter 191 of the public acts of 1903.

SEC. 2. The capital stock of said corporation at the time of its organization shall be five thousand dollars with the right to increase the same from time to time to an amount not exceeding fifteen thousand dollars, and shall be divided into shares of one hundred dollars each. Said stock shall not be issued at less than par and shall be paid for in cash, or its equivalent in property, and as provided by chapter 191 of the public acts of 1903. Said shares shall be deemed personal property and transferable only on the books of said corporation in such manner as its by-laws may prescribe. At all meetings of the stockholders of said corporation each share shall entitle the holder thereof to one vote which may be given by such stockholder in person or by proxy. The annual meeting of the stockholders of said corporation for the choice of directors shall be held at such time and place and upon such notice as said corporation in its by-laws may prescribe.

SEC. 3. Said corporation is hereby authorized to borrow money and to secure the same by a mortgage of its franchises, real estate, and property; and such mortgage, when duly recorded in the office of the town clerk of Ellington, shall be a lien upon the franchises, real estate, and property described in such mortgage.

SEC. 4. The government and direction of the affairs of said corporation shall be vested in a board of not less than three nor more than nine directors, who shall be chosen by the stockholders of said corporation, but vacancies occurring in the board of directors may be filled by the remaining directors, from the stockholders, to hold office until the next annual meeting of the corporation for the election of directors and until successors are chosen. Such directors shall hold office for the term of one year and until their successors are elected, and shall have power to make rules and regulations concerning the management of the affairs of said corporation.

SEC. 5. Said corporation may, in addition to the powers hereinbefore granted, make contracts with any company or person and may purchase, hold, and own real and personal property and water franchises necessary to carry on its business, and may issue, in accordance with the provisions of the general statutes, its bonds in payment thereof, provided such issue shall not exceed three-fourths of the actual cash value of the property of said company; and may secure such bonds by a mortgage upon its property and franchises.

SEC. 6. Said corporation may make and enforce all necessary by-laws and regulations for the purpose of preserving its water pure and free from contamination and nuisance, and free from drains and sewers. All persons supplied with water by said corporation under the provisions of this act shall be liable to it for the price or rent of such water, and the agents of said corporation may, at all reasonable times, enter the premises where water is supplied or sold to examine the water pipes and fixtures.

SEC. 7. The persons named in the first section of this act, or a majority of them, shall open books to receive subscriptions to the capital stock of said corporation at such time and place and under such regulations as they deem advisable, and the subscribers to the stock of the corporation, or a majority of them, are authorized, after said books of subscription are closed, to call, upon due notice, the first meeting of the stockholders of said corporation, at such time and place in said town as they may prescribe, for the purpose of organizing the corporation and electing a board of directors thereof.

Approved, April 1, 1915.

AN ACT AMENDING THE CHARTER OF THE CONNECTICUT WATER COMPANY.

SECTION 1. The second, third and fourth sentences of section 1 of number 342 of the special acts of 1945 are amended to read as follows: Said corporation is vested with power to acquire by lease, purchase or otherwise, upon such terms and conditions as may be agreed upon, and to hold, own, use, exercise, enjoy and dispose of the whole or any part of water properties, rights, securities and franchises of any private or municipal corporation authorized to sell, supply and distribute water in any town in the state of Connecticut; and, upon the acquisition of such properties and franchises, is authorized to sell, supply and distribute water within the towns named in such franchises and to hold, own, use, extend, exercise, enjoy and dispose of the same to the same extent as though said rights, franchises and immunities had been originally granted to it. In the exercise of its corporate powers, said corporation shall have the right to enter upon and open the streets, avenues and highways within the towns named in such franchises, for the purpose of installing and maintaining conduits, pipes and all necessary or convenient fixtures and apparatus, all subject to any rules, regulations, by-laws or ordinances of such towns. Said corporation shall have power from time to time to assume or guarantee the contracts, bonds and other obligations and the payment of dividends upon the capital stock of any water company of this state.

SEC. 2. Section 11 of said act is amended to read as follows: Any private corporation authorized to engage in or carry on the business of selling or distributing water shall be authorized to consolidate or merge with this corporation; and any such consolidating or merging corporation, private or municipal, shall be authorized to sell, lease and convey to this corporation the whole or any part of its rights, privileges, franchises, property, securities and assets.

SEC. 3. In addition to and not in diminution of the rights, powers, franchises and privileges which it now possesses, said corporation is authorized to sell, supply and distribute water within the towns of East Windsor and South Windsor and to exercise all the rights, powers, franchises and privileges which it now possesses with reference to its corporate powers within said towns; provided, within the area in which any other corporation or municipality is engaged in the business of supplying and distributing water, this corporation shall not commence to supply or distribute water in competition with such other corporation or municipality unless it first obtains the consent of such other operating corporation or municipality or purchases, leases or otherwise acquires the water properties thereof.

SEC. 4. This act shall be valid as an amendment to the charter of The Connecticut-Water Company if, within one year from its passage, it shall be accepted at a meeting of said company warned and held for that purpose, and an attested copy of said acceptance shall be filed in the office of the secretary of the state.

Approved May 22, 1957.

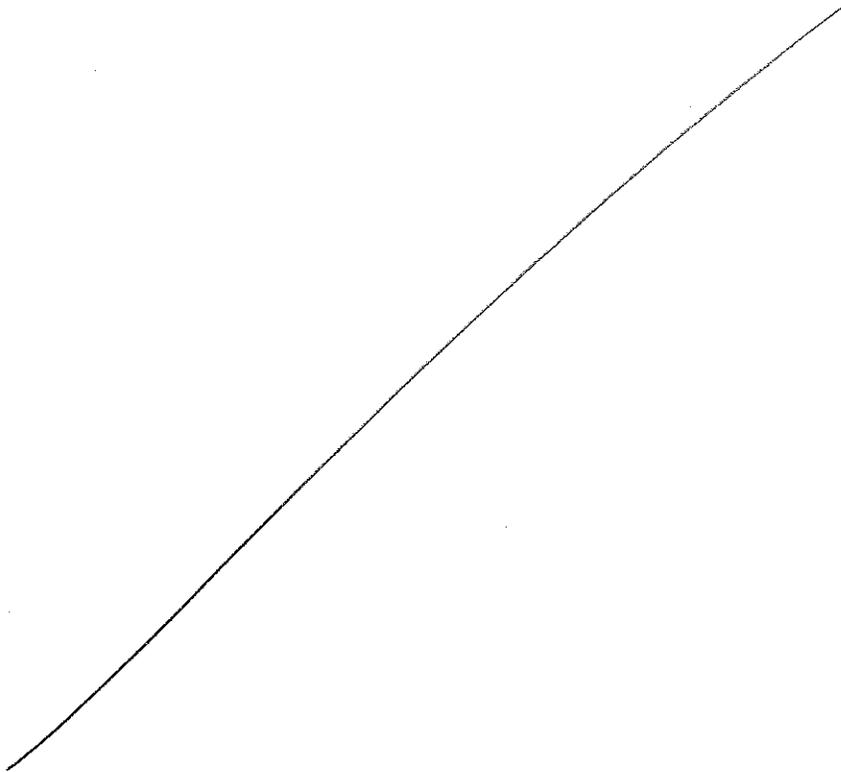
AN ACT CONCERNING THE TERRITORY OF OPERATION OF THE VERNON WATER COMPANY.

Section 2 of number 475 of the special acts of 1959 is amended to read as follows: Said corporation shall serve the area in the town of Vernon, county of Tolland and state of Connecticut, more particularly bounded and described as follows: Beginning at a point 200 feet South of the Southerly side of Center Road, which point is 200 feet East of the Easterly side of Connecticut Highway Route #83; thence Southerly parallel to and 200 feet East of the Easterly side of Connecticut Highway Route #83 to Wilshire Road; thence Westerly on Wilshire Road to the Easterly side of Connecticut Highway Route #83; thence Southerly along the Easterly side of Connecticut Highway Route #83 to its intersection with the Southerly side of Dobson Avenue; thence Southeasterly along the Southerly side of Dobson Avenue to Washington Street; thence continuing Southerly on the Westerly side of Washington Street to its intersection with Phoenix Street; thence Southerly along the Westerly side of Phoenix Street to the Manchester-Vernon town line; thence Easterly along said town line to the Northeasterly corner of the Town of Manchester; thence Southerly along town line between Vernon and Manchester to Richard Road; thence Easterly along the Southerly side of Richard Road to Lake Street; thence Northerly along the Easterly side of Lake Street to Tunnel Road; thence Northerly on the Easterly side of Tunnel Road to Valley Falls Road; thence Easterly along the Southerly side of Valley Falls Road to Bread and Milk Street; thence Northerly along the Easterly side of Bread and Milk Street to Bolton Road; thence Northwesterly along the Easterly side of Bolton Road to Center Road; thence Northwesterly along the Easterly side of Center Road to Peterson Road; thence continuing Northwesterly on Center Road to a point 200 feet South of the intersection of said Center Road with the Southerly side of Regan Road; thence Westerly 200 feet South of and parallel to the Southerly side of Center Road to the point of beginning.

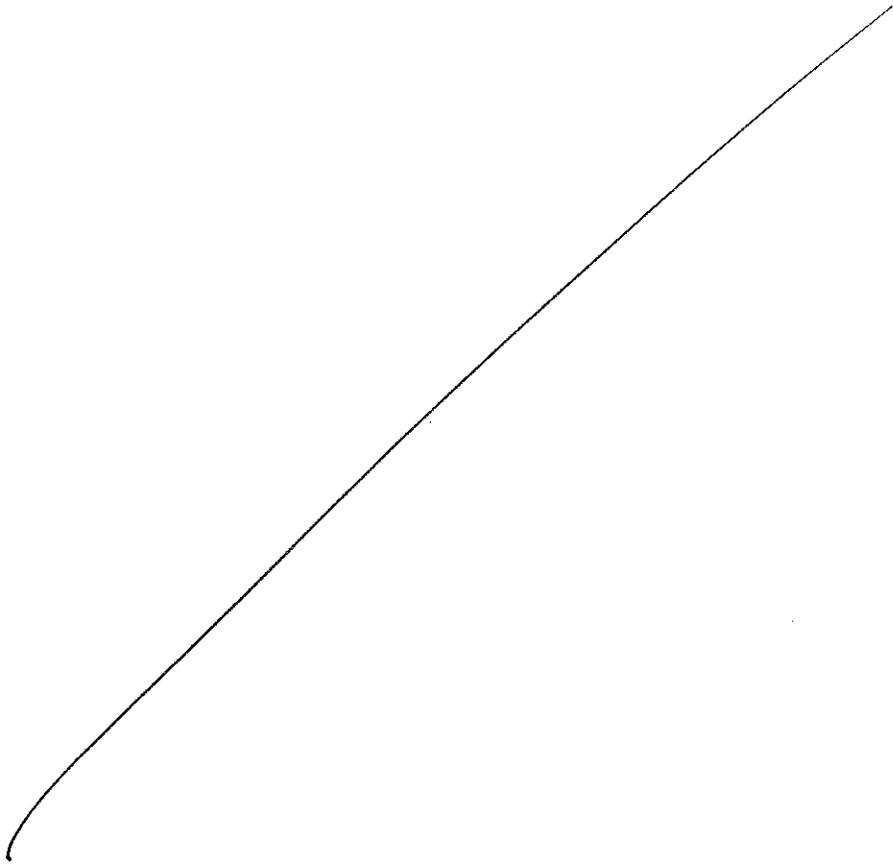
Approved May 29, 1963.

APPENDIX B

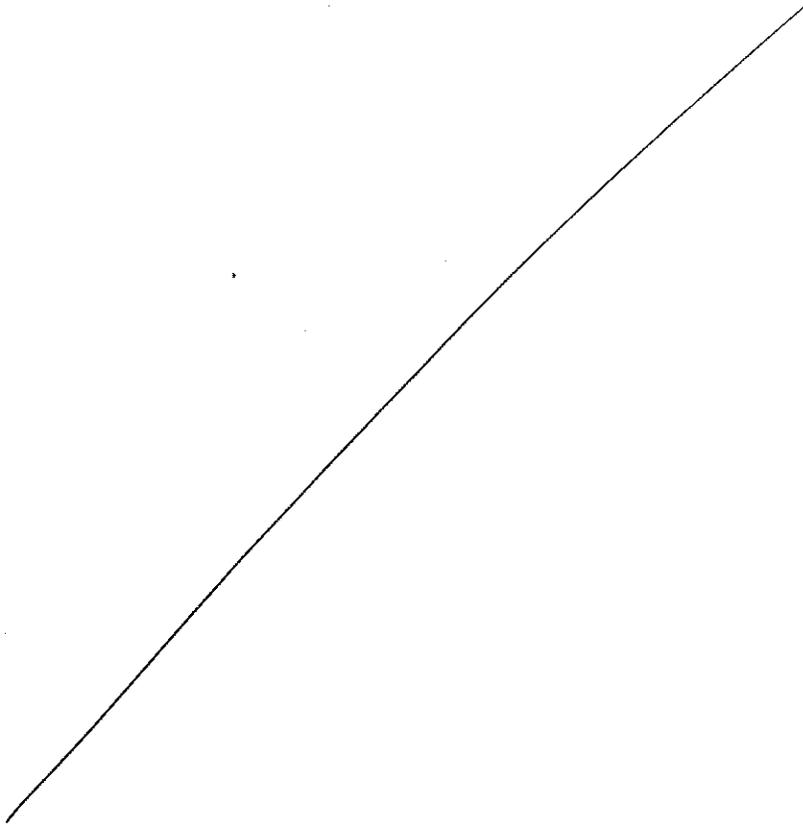
**INTERMUNICIPAL AGREEMENT
and SUMMARY FORMS**



APPENDIX C
WATER QUALITY DATA

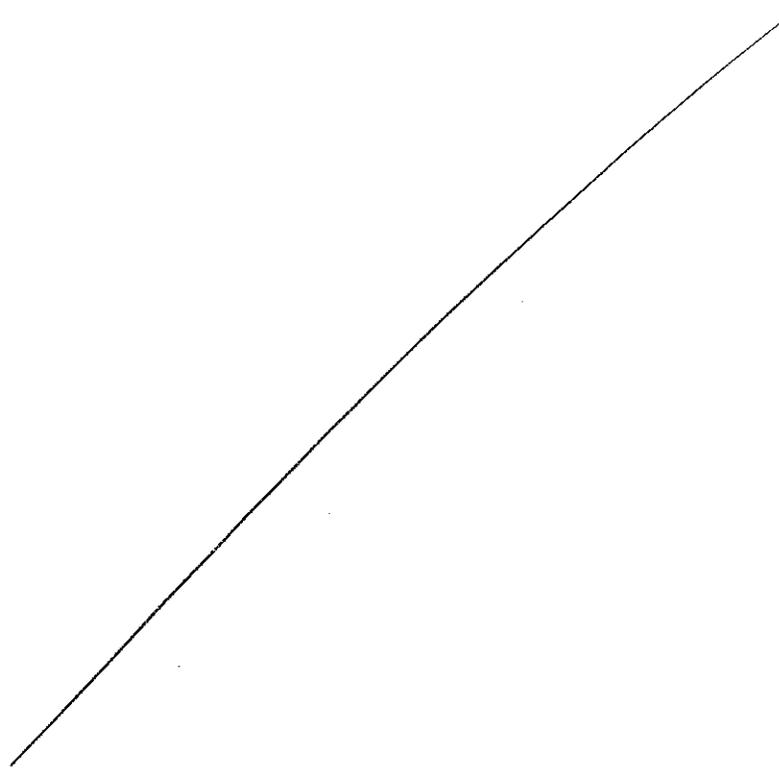


APPENDIX D
SAFE YIELD DATA



7

APPENDIX E
SYSTEM PRODUCTION DATA



APPENDIX F
FINANCIAL PLAN EXHIBITS

APPENDIX F

EXHIBITS FOR FINANCIAL PLAN

- | | |
|-----------|--|
| Exhibit A | CWC's Financial Statements for Years Ended 12/31/05 and
and 12/31/04 |
| Exhibit B | CWS's Financial Statements for Years Ending 12/31/05 and
12/31/04 |
| Exhibit C | Operating Revenues for periods ending 12/31/05, 12/31/04
and 12/31/03 |
| Exhibit D | Rate Schedule for Water Service Rendered On and After
<i>1/1/07</i> |

Revised 6/07

EXHIBIT A

THE CONNECTICUT WATER COMPANY

BALANCE SHEETS
December 31, 2005 and 2004

	<u>2005</u>	<u>2004</u>
ASSETS		
	(Thousands of dollars)	
Utility Plant		
Utility Plant in Service	\$ 293,917	\$ 278,041
Utility Plant Held for Future Use	413	416
Construction Work in Progress	911	5,411
Utility Plant Acquisition Adjustments	<u>(1,234)</u>	<u>(1,234)</u>
	294,007	282,634
Accumulated Provision for Depreciation	<u>(84,337)</u>	<u>(80,874)</u>
Net Utility Plant	<u>209,670</u>	<u>201,760</u>
Other Property and Investments		
Non-Utility Property, Less Accumulated Provision For Depreciation (2005 - \$23; 2004 - \$23)	16	16
Other Investments	<u>3,646</u>	<u>3,237</u>
Total Other Property and Investments	<u>3,662</u>	<u>3,253</u>
Current Assets		
Cash and Cash Equivalents	4,010	4
Accounts Receivable (Less Allowance, 2005 - \$179; 2004 - \$145)	4,679	3,954
Accrued Unbilled Revenues	3,454	3,421
Materials and Supplies, at Average Cost	747	719
Prepayments and Other Current Assets	161	198
Advances to Parent	<u>1,051</u>	<u>3,431</u>
Total Current Assets	<u>14,102</u>	<u>11,727</u>
Deferred Charges		
Unamortized Debt Issuance Expense	7,355	7,056
Unrecovered Income Taxes	8,161	11,225
Postretirement Benefits Other Than Pension	1,595	1,088
Deferred Charges and Other Costs	<u>1,483</u>	<u>1,069</u>
Total Regulatory and Other Long-Term Assets	<u>18,594</u>	<u>20,438</u>
Total Assets	<u>\$ 246,028</u>	<u>\$ 237,178</u>

THE CONNECTICUT WATER COMPANY

BALANCE SHEETS
December 31, 2005 and 2004

	<u>2005</u>	<u>2004</u>
CAPITALIZATION AND LIABILITIES		
	(Thousands of dollars)	
Capitalization		
Common Stockholder's Equity:		
Common Stock	\$ 44,267	\$ 44,113
Retained Earnings	30,360	29,535
Accumulated Other Comprehensive Income	294	87
Long-Term Debt	<u>72,305</u>	<u>62,305</u>
Total Capitalization	<u>147,226</u>	<u>136,040</u>
Current Liabilities		
Accounts Payable and Accrued Expenses	3,492	4,514
Accrued Taxes	4	2,532
Accrued Interest	628	536
Other Current Liabilities	<u>29</u>	<u>87</u>
Total Current Liabilities	<u>4,153</u>	<u>7,669</u>
Advances for Construction	<u>24,623</u>	<u>22,628</u>
Contributions in Aid of Construction	<u>31,672</u>	<u>30,982</u>
Deferred Federal and State Income Taxes	<u>22,406</u>	<u>21,468</u>
Unfunded Future Income Taxes	<u>7,489</u>	<u>9,800</u>
Long-Term Compensation Arrangements	<u>6,819</u>	<u>6,892</u>
Unamortized Investment Tax Credits	<u>1,640</u>	<u>1,699</u>
Commitments and Contingencies	<u> </u>	<u> </u>
Total Capitalization and Liabilities	<u>\$ 246,028</u>	<u>\$ 237,178</u>

EXHIBIT B

Consolidated Statements of Income

For the Years Ended December 31, (In thousands, except per share data)			
	2005	2004	2003
Operating Revenues	\$47,453	\$46,008	\$44,598
Operating Expenses			
Operation and Maintenance	24,514	22,336	21,086
Depreciation	5,724	5,570	5,483
Income Taxes	2,338	2,594	1,912
Taxes Other than Income Taxes	5,385	5,179	5,022
Total Operating Expenses	37,961	35,679	33,503
Utility Operating Income	9,492	10,329	11,095
Other Income (Deductions), Net of Taxes			
Gain (Loss) on Property Transactions	(61)	1,206	1,029
Non-Water Sales Earnings	945	829	692
Allowance for Funds Used During Construction	638	421	476
Other	169	120	80
Total Other Income (Deductions), Net of Taxes	1,691	2,576	2,277
Interest and Debt Expenses			
Interest on Long-Term Debt	2,937	2,918	3,878
Other Interest Charges	720	486	373
Amortization of Debt Expense	360	338	231
Total Interest and Debt Expenses	4,017	3,742	4,482
Income from Continuing Operations	7,166	9,163	8,890
Discontinued Operations, Net of Tax of \$1,720, \$238 and \$123 in 2005, 2004 and 2003, Respectively	3,158	231	320
Net Income	10,324	9,394	9,210
Preferred Stock Dividend Requirement	38	38	38
Total Net Income Applicable to Common Stock	\$10,286	\$9,356	\$9,172
Weighted Average Common Shares Outstanding:			
Basic	8,094	7,999	7,956
Diluted	8,143	8,039	8,002
Earnings Per Common Share:			
Basic—Continuing Operations	\$ 0.89	\$ 1.15	\$ 1.11
Basic—Discontinued Operations	\$ 0.38	\$ 0.02	\$ 0.04
Basic	\$ 1.27	\$ 1.17	\$ 1.15
Diluted—Continuing Operations	\$ 0.88	\$ 1.14	\$ 1.11
Diluted—Discontinued Operations	\$ 0.38	\$ 0.02	\$ 0.04
Diluted	\$ 1.26	\$ 1.16	\$ 1.15

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, (In thousands)			
	2005	2004	2003
Net Income	\$10,286	\$9,356	\$9,172
Other Comprehensive Income, Net of Tax			
Qualified Cash Flow Hedging Instrument Net of Tax of \$188 and \$58 in 2005 and 2004, Respectively	294	87	—
Comprehensive Income	\$10,580	\$9,443	\$9,172

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheets

December 31, (in thousands)	2005	2004
Assets		
Utility Plant	\$340,755	\$333,985
Construction Work in Progress	5,505	7,463
Utility Plant Acquisition Adjustments	(1,273)	(1,273)
	344,987	340,175
Accumulated Provision for Depreciation	(97,284)	(98,399)
Net Utility Plant	247,703	241,776
Other Property and Investments	4,542	4,298
Cash and Cash Equivalents	4,439	707
Restricted Cash	2,628	—
Accounts Receivable (Less Allowance, 2005 — \$256; 2004 — \$212)	5,888	5,702
Accrued Unbilled Revenues	3,918	4,064
Materials and Supplies, at Average Cost	860	869
Prepayments and Other Current Assets	1,274	3,923
Short-Term Investment	6,815	—
Barlaco Assets Held for Sale	324	—
Total Current Assets	26,146	15,265
Unamortized Debt Issuance Expense	7,823	7,169
Unrecovered Income Taxes	12,986	16,173
Post-Retirement Benefits Other than Pension	1,595	1,088
Goodwill	3,608	3,608
Deferred Charges and Other Costs	1,632	1,563
Total Regulatory and Other Long-Term Assets	27,644	29,601
Total Assets	\$306,035	\$290,940

The accompanying notes are an integral part of these consolidated financial statements.

December 31, (in thousands, except share amounts)

Capitalization and Liabilities

2005

2004

Common Stockholders' Equity:

Common Stock Without Par Value:

Authorized—15,000,000 Shares—Issued and Outstanding:

2005—8,169,627; 2004—8,035,199

\$ 58,005 \$ 55,514

Retained Earnings

35,777 32,264

Accumulated Other Comprehensive Income

294 87

Common Stockholders' Equity

94,076 87,865

Preferred Stock

847 847

Long-Term Debt

77,404 66,399

Total Capitalization

172,327 155,111

Inferim Bank Loans Payable

4,750 5,650

Current Portion of Long-Term Debt

2,331 326

Accounts Payable and Accrued Expenses

4,776 5,512

Accrued Taxes

154 3,300

Accrued Interest

699 601

Other Current Liabilities

519 559

Total Current Liabilities

13,229 15,948

Advances for Construction

29,355 27,157

Contributions in Aid of Construction

45,709 46,111

Deferred Federal and State Income Taxes

24,915 24,249

Unfunded Future Income Taxes

11,273 13,096

Long-Term Compensation Arrangements

7,541 7,445

Unamortized Investment Tax Credits

1,686 1,823

Commitments and Contingencies

Total Capitalization and Liabilities

\$306,035 \$290,940

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

For the Years Ended December 31, (In thousands)	2005	2004	2003
Operating Activities:			
Net Income	\$10,324	\$ 9,394	\$ 9,210
Discontinued Operations	3,158	235	324
Income from Continuing Operations	7,166	9,159	8,886
Adjustments to Reconcile Net Income to Net Cash			
Provided by Operating Activities:			
Allowance for Funds Used During Construction	(743)	(436)	(476)
Depreciation (Including \$188 in 2005 and \$253 in 2004, and \$165 in 2003 Charged to Other Accounts)	5,912	5,763	5,648
Change in Assets and Liabilities:			
(Increase) in Accounts Receivable and Accrued Unbilled Revenues	(342)	(769)	(49)
(Increase) Decrease in Other Current Assets	2,600	288	(51)
(Increase) in Other Non-Current Items	(556)	(469)	(690)
Increase (Decrease) in Accounts Payable, Accrued Expenses and Other Current Liabilities	(3,603)	1,678	(2,069)
Increase in Deferred Income Taxes and Investment Tax Credits, Net	2,332	996	2,400
Total Adjustments	5,600	7,051	4,713
Net Cash and Cash Equivalents Provided by (Used in) Continuing Operations	12,766	16,210	13,599
Net Cash and Cash Equivalents Provided by (Used in) Discontinued Operations	(185)	497	184
Net Cash and Cash Equivalents Provided by (Used in) Operating Activities	12,581	16,707	13,783
Investing Activities:			
Company Financed Additions to Utility Plant	(14,088)	(8,380)	(8,486)
Advances from Others for Construction	(1,955)	(2,057)	(592)
Net Additions to Utility Plant Used in Continuing Operations	(16,043)	(10,437)	(9,078)
Proceeds from Sale of Barnstable Water Company Assets (Net of \$114 in Transaction Costs)	9,885	—	—
Purchase of Short Term Investments	(6,713)	—	—
Net Cash and Cash Equivalents Used in Investing Activities in Continuing Operations	(12,871)	(10,437)	(9,078)
Net Cash and Cash Equivalents Used in Investing Activities in Discontinued Operations	(171)	(172)	(193)
Net Cash Used in Investing Activities	(13,042)	(10,609)	(9,271)
Financing Activities:			
Net Proceeds from Interim Bank Loans	4,750	5,650	9,700
Net Repayment of Interim Bank Loans	(5,650)	(9,700)	(6,950)
Proceeds from Issuance of Common Stock	2,038	1,751	699
Proceeds from Issuance of Long-Term Debt	12,282	23,581	22,930
Repayment of Long-Term Debt Including Current Portion	(665)	(21,764)	(22,798)
Costs Incurred to Issue Long-Term Debt and Common Stock	(934)	(1,309)	(1,359)
Advances from Others for Construction	1,955	2,057	592
Proceeds from Exercise of Stock Options	455	—	—
Cash Dividends Paid	(6,838)	(6,525)	(6,393)
Net Cash and Cash Equivalents Provided by (Used in) Financing Activities in Continuing Operations	7,393	(6,259)	(3,579)
Net Cash and Cash Equivalents Provided by (Used in) Financing Activities in Discontinued Operations	(3,200)	(254)	(275)
Net Cash and Cash Equivalents Provided by (Used in) Financing Activities	4,193	(6,513)	(3,854)
Net Increase (Decrease) in Cash and Cash Equivalents	3,732	(415)	658
Cash and Cash Equivalents at Beginning of Year	707	1,122	464
Cash and Cash Equivalents at End of Year	\$ 4,439	\$ 707	\$ 1,122
Non-Cash Investing and Financing Activities:			
Non-Cash Contributed Utility Plant (see Note 1 for details)	\$ 1,231	\$2,337	\$ 2,930
Short-term Investment of Bond Proceeds Held in Restricted Cash	\$ 2,628	—	—
Supplemental Disclosures of Cash Flow Information:			
Cash Paid for Continuing Operations During the Year for:			
Interest	\$ 3,511	\$3,440	\$ 4,372
State and Federal Income Taxes	\$ 3,515	\$1,383	\$ 2,355
Cash Paid for Discontinued Operations During the Year for:			
Interest	\$ 106	\$ 141	\$ 150
State and Federal Income Taxes	\$ 410	\$ 31	\$ 52

The accompanying notes are an integral part of these consolidated financial statements.

Note 1: Summary of Significant Accounting Policies

Basis of Presentation—The consolidated financial statements include the operations of Connecticut Water Service, Inc. (the Company), an investor-owned holding company and its ten wholly owned subsidiaries, listed below:

- The Connecticut Water Company (Connecticut Water)
- Crystal Water Utilities Corporation
- The Crystal Water Company of Danielson (Crystal Water)
- Chester Realty, Inc.
- New England Water Utility Services, Inc.
- Connecticut Water Emergency Services, Inc.
- The Barnstable Holding Company
- The Barnstable Water Company (Barnstable Water)
- BARLACO, Inc.
- The Unionville Water Company (Unionville)

Connecticut Water, Crystal Water, and Unionville (our "water companies") are public water utility companies serving 81,763 customers in 41 towns throughout Connecticut.

Crystal Water Utilities Corporation is a holding company, owning the stock of The Crystal Water Company of Danielson and three small rental properties.

Chester Realty, Inc. is a real estate company whose net profits from rental of property are included in the Other Income (Deductions), Net of Taxes section of the Consolidated Statements of Income in the Non-Water Sales Earnings category.

New England Water Utility Services, Inc. is engaged in water-related services, including the *Linebacker*® program, and contract operations. Its earnings are included in the Non-Water Sales Earnings category in the Other Income (Deductions), Net of Taxes section of the Consolidated Statements of Income.

Connecticut Water Emergency Services, Inc. is a provider of emergency drinking water and pool water via tanker trucks. Its net earnings are included in the Non-Water Sales Earnings category in the Other Income (Deductions), Net of Taxes section of the Consolidated Statements of Income.

Barnstable Holding Company is a holding company, owning the stock of Barnstable Water Company and BARLACO, Inc. Barnstable Water was a public water utility company serving customers in Barnstable, Massachusetts, until the Company sold the assets of Barnstable Water to the Town of Barnstable in May 2005. After the sale and through February 2006, Barnstable Water operated the system under a management contract for the Town of Barnstable. In February 2006, the Town of Barnstable terminated the management contract with Barnstable Water. BARLACO, Inc. is a real estate company which held real estate for sale. In February 2006, BARLACO sold all of its real estate holdings to the Town of Barnstable. Intercompany accounts and transactions have been eliminated.

Public Utility Regulation—Three of our water companies are subject to regulation for rates and other matters by the Connecticut Department of Public Utility Control (DPUC) and follow accounting policies prescribed by the DPUC. The Company prepares its financial statements in accordance with Generally Accepted Accounting Principles in the United States of America (GAAP), which includes the provisions of Statement of Financial Accounting Standards No. 71, "Accounting for the Effects of Certain Types of Regulation," (FAS 71). FAS 71 requires cost-based, rate-regulated enterprises such as our water companies to reflect the impact of regulatory decisions in their financial statements. The state regulators, through the rate regulation process, can create regulatory assets that result when costs are allowed for ratemaking purposes in a period after the period in which the costs would be charged to expense by an unregulated enterprise. The balance sheets include regulatory assets and liabilities as appropriate, primarily related to income taxes and post-retirement

benefit costs. In accordance with FAS 71, costs which benefit future periods, such as tank painting, are expensed over the periods they benefit. The Company believes, based on current regulatory circumstances, that the regulatory assets recorded are likely to be recovered and that its use of regulatory accounting is appropriate and in accordance with the provisions of FAS 71. Material regulatory assets are earning a return.

Use of Estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Revenues—Most of our water customers are billed quarterly, with the exception of larger commercial and industrial customers, as well as public fire protection customers who are billed monthly. Most customers, except fire protection customers are metered. Revenues from metered customers are based on their usage multiplied by approved, regulated rates. Public fire protection charges are based on the length and diameter of the water main, and number of hydrants in service. Private fire protection charges are based on the diameter of the connection to the water main. Our water companies accrue an estimate for the amount of revenues relating to sales earned but unbilled at the end of each quarter.

Utility Plant—Utility plant is stated at the original cost of such property when first devoted to public service. In the case of acquisitions, the difference between the original cost and the cost to our water companies is charged or credited to utility plant acquisition adjustments. Utility plant accounts are charged with the cost of improvements and replacements of property including an allowance for funds used during construction. Retired or disposed of depreciable plant is charged to accumulated provision for depreciation together with any costs applicable to retirement, less any salvage received. Maintenance of utility plant is charged to expense. Accounting policies relating to other areas of utility plant are listed below:

Allowance For Funds Used During Construction—Allowance for Funds Used During Construction (AFUDC) is the cost of debt and equity funds used to finance the construction of our water companies' utility plant. Generally, utility plant under construction is not recognized as part of rate base for ratemaking purposes until facilities are placed into service, and accordingly, AFUDC is charged to the construction cost of utility plant. Capitalized AFUDC, which does not represent current cash income, is recovered through rates over the service lives of the facilities.

In order for certain water system acquisitions made in and after 1995 to not degrade earnings, Connecticut Water has received DPUC approval to record AFUDC on certain of its investments in these systems. Through December 31, 2005, Connecticut Water has capitalized approximately \$3.5 million of AFUDC relating to financing these acquisitions. This amount is expected to be recovered in Connecticut Water's next rate case.

Each company's allowed rate of return on rate base is used to calculate its AFUDC.

Customers' Advances for Construction, Contributed Plant and Contributions in Aid of Construction—Under the terms of construction contracts with real estate developers and others, our water companies periodically receive either advances for the costs of new main installations or title to the main after it is constructed and financed by the developer. Refunds are made, without interest, as services are connected to the main, over periods not exceeding fifteen years and not in excess of the original advance. Unrefunded balances, at the end of the contract period, are credited to contributions in aid of construction (CIAC) and are no longer refundable.

Utility Plant is added in two ways. The majority of the Company's plant additions occur from direct investment of Company funds that originated through operating activities or financings. The Company manages the construction of these plant additions. These plant additions are part of the Company's depreciable utility plant and are generally part of rate base. The Company's rate base is a key component of how its regulated rates are set, and is recovered through the depreciation component of the Company's rates. The second way in which plant additions occur are through developer advances and

contributions. Under this scenario either the developer funds the additions through payments to the Company, who in turn manages the construction of the project, or the developer pays for the plant construction directly and contributes the asset to the Company after it is complete. Plant additions that are financed by a developer, either directly or indirectly, are excluded from the Company's rate base and not recovered through the rates process, and are also not depreciated.

During the past three years the following are the components that comprise Net Additions to Utility Plant:

(In thousands)	2005	2004	2003
Additions to Utility Plant:			
Company Financed			
Allowance for Funds Used During Construction	\$14,088	\$ 8,380	\$ 8,486
Subtotal—Utility Plant Increase to Rate Base	743	436	476
Non-Cash Contributed Plant	14,831	8,816	8,962
Advances from Others for Construction	1,231	2,337	2,930
Subtotal—Gross Additions to Utility Plant	1,955	2,057	592
Less: Non-Cash Contributed Plant	18,017	13,210	12,484
Net Additions to Utility Plant—Continuing Operations	1,231	2,337	2,930
Plus: Discontinued Operations	16,786	10,873	9,554
Net Additions to Utility Plant	171	172	193
	\$16,957	\$11,045	\$ 9,747

Depreciation—Over 99% of the Company's depreciable plant is owned by its three water companies. Depreciation is computed on a straight-line basis at various rates as approved by the state regulators on a company by company basis. Depreciation allows the utility to recover the investment in utility plant over its useful life. The overall consolidated company depreciation rate, based on the average balances of depreciable property, was 2.1% for 2005, 2004, and 2003.

Income Taxes—The Company provides income tax expense for its utility operations in accordance with the regulatory accounting policies of the applicable jurisdictions. The Connecticut DPUC requires the flow-through method of accounting for most state tax temporary differences as well as for certain federal temporary differences.

The Company computed deferred tax reserves for all temporary book-tax differences using the liability method prescribed in FAS 109—“Accounting for Income Taxes”. Under the liability method, deferred income taxes are recognized at currently enacted income tax rates to reflect the tax effect of temporary differences between the financial reporting and tax bases of assets and liabilities. Such temporary differences are the result of provisions in the income tax law that either require or permit certain items to be reported on the income tax return in a different period than they are reported in the financial statements. Deferred tax liabilities that have not been reflected in tax expense due to regulatory treatment are described as unfunded future income taxes, and are expected to be recoverable in future years' rates.

The Company believes that all deferred income tax assets will be realized in the future. The majority of all unfunded future income taxes relate to deferred state income taxes.

Deferred federal income taxes consist primarily of amounts that have been provided for accelerated depreciation subsequent to 1981, as required by federal income tax regulations. Deferred taxes have also been provided for temporary differences in the recognition of certain expenses for tax and financial statement purposes as allowed by DPUC rate making policies.

Municipal Taxes—Municipal taxes are generally expensed over the twelve-month period beginning on July 1 following the lien date, corresponding with the period in which the municipal services are provided.

Stock Options—The Company has the ability to issue stock options through its Performance Stock Program (PSP). The Company has not issued any options since 2003. The PSP is described more completely in Note 13. FAS No. 123 "Accounting for Stock-Based Compensation," encourages entities to recognize as expense over the vesting period the fair value of all stock-based awards on the date of grant. Alternatively, FAS No. 123 also allows entities to continue to apply the provisions of Accounting Principles Board (APB) opinion No. 25 "Accounting for Stock Issued to Employees" and provide pro forma net income and pro forma earnings per share disclosures for employee stock grants as if the fair-value-based method defined in FAS No. 123 had been applied. Please see "New Accounting Pronouncements" below for pending changes on rules for accounting relating to stock options.

The Company accounts for the stock options it has issued under the recognition and measurement principles of APB No. 25. As such, no compensation cost related to the stock options is reflected in Net Income, as all options issued through the PSP had an exercise price equal to market value of the underlying common stock on the date of grant. The following table illustrates the effect on Net Income and Earnings Per Share if the Company had applied the fair value recognition provisions of FAS No. 123 to the stock options issued.

Years Ended December 31 (in thousands, except for per share data)	2005	2004	2003
Net Income, Applicable to Common Stockholders as Reported	\$10,286	\$9,356	\$9,172
Add: Total Stock-Based Employee Compensation Expense Determined Under Intrinsic Value Based Method for All Awards, Net of Related Tax Effects	233	137	151
Deduct: Total Stock-Based Employee Compensation Expense Determined Under Fair Value Based Method for All Awards, Net of Related Tax Effects	(232)	(408)	(425)
Pro Forma Net Income, Applicable to Common Stockholders	\$10,287	\$9,085	\$8,898
Earnings Per Share:			
Basic—As Reported	\$ 1.27	\$ 1.17	\$ 1.15
Basic—Pro Forma	\$ 1.27	\$ 1.14	\$ 1.12
Diluted—As Reported	\$ 1.26	\$ 1.16	\$ 1.15
Diluted—Pro Forma	\$ 1.26	\$ 1.13	\$ 1.11

Under the Company's PSP, restricted shares of Common Stock, common stock equivalents or cash units may be awarded annually to officers and key employees. Based upon the occurrence of certain events, including the achievement of goals established by the Compensation Committee, the restrictions on the stock can be removed. Amounts charged to expense pursuant to the PSP were \$265,000, \$228,000 and \$251,000, for 2005, 2004 and 2003, respectively. These amounts are included in Net Income, as reported.

Unamortized Debt Issuance Expense—The issuance costs of long-term debt, including the remaining balance of issuance costs on long-term debt issues that have been refinanced prior to maturity, and related call premiums, are amortized over the respective lives of the outstanding debt, as approved by the state regulators.

Goodwill—The Company accounts for goodwill in accordance with FAS No. 142, "Goodwill and Other Intangible Assets" (FAS 142). FAS 142 requires that goodwill no longer be amortized on a ratable basis. In accordance with FAS 142, goodwill must be allocated to reporting units and reviewed for impairment at least annually. The Company utilized a net income valuation approach in the performance of the annual goodwill impairment test.

Earnings per Share—The following is a reconciliation of the numerators and denominators of the basic and diluted earnings per share for the years ended December 31, 2005, 2004, and 2003:

Years Ended December 31,	2005	2004	2003
Basic Earnings Per Share from Continuing Operations	\$ 0.89	\$ 1.15	\$ 1.12
Dilutive Effect of Unexercised Stock Options	0.01	0.01	0.01
Diluted Earnings Per Share	\$ 0.88	\$ 1.14	\$ 1.11
Numerator (In thousands):			
Basic Income from Continuing Operations	\$7,166	\$9,163	\$8,890
Diluted Income from Continuing Operations	\$7,166	\$9,163	\$8,890
Denominator (In thousands):			
Basic Weighted Average Shares Outstanding	8,094	7,999	7,956
Dilutive Effect of Unexercised Stock Options	19	40	46
Diluted Weighted Average Shares Outstanding	8,113	8,039	8,002

Reclassifications and Revisions — Certain reclassifications have been made to conform previously reported data to the current presentation.

Within the Statements of Cash Flows we have revised the classification of certain items to more clearly reflect the Developer Advances and Contributions that regularly occurred within the regulated water subsidiaries for 2004 and 2003. The non-cash contribution of completed utility plant by developers to the Company has been eliminated from both Investing Activities and Financing Activities. In addition, we have eliminated AFUDC and any accrual of construction costs that had been included in the Operating Activities and Investing Activities sections of the Statements of Cash Flows. The resulting revised classifications have no effect on Net Increase (Decrease) in Cash and Cash Equivalents during either period. For additional information please see the Utility Plant section of Footnote 1.

New Accounting Pronouncements — In March 2005, the Financial Accounting Standards Board (FASB) issued Interpretation No. 47, "Accounting for Conditional Asset Retirement Obligations." The Interpretation clarifies the accounting for a conditional asset retirement obligation as identified in FAS No. 143, "Accounting for Asset Retirement Obligations." Interpretation No. 47 is effective for our 2006 fiscal year. We believe there will be no material effect on the Company's financial position or results of operations upon adoption of this Interpretation.

In December 2004, the FASB issued SFAS No. 123(R) "Share-Based Payment." This statement is a revision to SFAS 123 and supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees," and amends FASB Statement No. 95, "Statement of Cash Flows." This statement requires a public entity to expense the cost of employee services received in exchange for an award of equity instruments. This statement also provides guidance on valuing and expensing these awards, as well as disclosure requirements of these equity arrangements. This statement is effective for the first interim reporting period that begins after December 15, 2005, and will be effective for the Company in its first quarter of 2006.

SFAS 123(R) permits public companies to choose between the following two adoption methods:

1. A "modified prospective" method in which compensation cost is recognized beginning with the effective date:
 - (a) based on the requirements of SFAS 123(R) for all share-based payments granted after the effective date and
 - (b) based on the requirements of statement 123 for all awards granted to employees prior to the effective date of SFAS 123R that remain unvested on the effective date, or
2. A "modified retrospective" method which includes the requirements of the modified prospective method described above, but also permits entities to restate based on the amounts previously recognized under SFAS 123 for purposes of pro forma disclosures either (a) all prior periods presented or (b) prior interim periods of the year of adoption.

As permitted by SFAS 123, we currently account for share-based payments to employees using APB Opinion 25's intrinsic value method and, as such, we generally recognize no compensation cost for employee stock options. Valuation of employee stock options under SFAS 123(R) is similar to SFAS 123, with minor exceptions. For information about what our reported results of operations and earnings per share would have been had we adopted SFAS 123, please see the discussion under the heading "Stock Based Compensation" in Note 1 to our Consolidated Financial Statements. Accordingly, the adoption of SFAS 123(R)'s fair value method will not have a significant impact on our results of operations, or on our overall financial position. SFAS 123(R) also requires the benefits of tax deductions in excess of recognized compensation cost to be reported as a financing cash flow, rather than as an operating cash flow as required under current literature. This requirement will reduce net operating cash flows and increase net financing cash flows in periods after adoption. The Company is currently assessing its valuation options allowed under FAS 123(R), however, we expect FAS 123(R) to impact earnings in fiscal 2006 by approximately \$35,000 before taxes using the modified prospective method of adoption.

In November 2004, the FASB issued SFAS No. 151, "Inventory Costs," which is effective for our 2006 fiscal year. This statement amends previous guidance as it relates to inventory valuation to clarify that abnormal amounts of idle facility, expense, freight, handling costs, and spoilage should be recorded as a current period charge. We do not anticipate a significant effect on financial position or operations upon adoption of this statement.

In June 2005, the FASB issued SFAS 154 "Accounting Changes and Error Corrections." SFAS 154 changes the requirements for the accounting for, and reporting of, a change in accounting principle. Previously, most voluntary changes in accounting principles were required to be recognized by way of a cumulative effect adjustment within net income during the period of change. SFAS 154 requires retrospective application to prior periods' financial statements unless it is impracticable to determine either the period-specific effects or the cumulative effect of the change. SFAS 154 is effective for accounting changes made in fiscal years beginning after December 15, 2005; however, SFAS 154 does not change the transition provisions of any existing accounting pronouncements.

Note 2: Sale of Barnstable Water Company Assets — Discontinued Operations

On May 20, 2005, the Company completed the sale of the assets of one of its Massachusetts' subsidiaries, the Barnstable Water Company ("BWC"), to the Town of Barnstable, Massachusetts. Upon completion of the sale, the Town of Barnstable and BWC entered into a one year management contract for BWC to provide the Town with full operating and management services for the water system's operations. Under the terms of the one year management contract, BWC was paid \$130,000 a month for operating and management services performed by BWC for the Town of Barnstable. This management contract could be terminated within the 12 month period by 30 days written notice by either party. In January 2006, the Company received notice of termination. The last day of the operating contract was February 7, 2006.

The Company received \$10.0 million in gross proceeds from the sale of its water utility assets, advances, and contribution in aid of construction. The gain, net of income taxes of \$1.6 million was \$3.0 million in 2005 and has been included in Net Income from Discontinued Operations.

The sale of Barnstable's assets has been classified as 'Discontinued Operations' in the Consolidated Statements of Income as there will be no continuing involvement due to the termination of the management contract with the Town of Barnstable. All of the results of BWC, including current and prior years and the gain on the sale of the utility's assets, have been reclassified and are included as 'Discontinued Operations'. At December 31, 2005, assets held for sale of approximately \$300,000 remain relating to BARLACO, which was sold in February 2006.

Discontinued Operations for the years ended December 31, 2005, 2004 and 2003 was comprised of the following:

Years Ended December 31, (in thousands)	2005	2004	2003
Water Activities:			
Operating Revenues			
Income Taxes	\$ 802	\$2,485	\$2,517
Utility Operating Income	(9)	191	96
	\$ (11)	\$ 155	\$ 279
Services and Rentals:			
Revenues			
Income Taxes	\$ 1,067	\$ 163	\$ 115
Income from Services and Rentals	132	47	27
	\$ 213	\$ 76	\$ 41
Gain on Sale of Assets:			
Gross Proceeds			
Income Taxes	\$10,000	\$ —	\$ —
Gain on Sale of Assets	1,597	—	—
	\$ 2,956	\$ —	\$ —
Total Net Income from Discontinued Operations	\$ 3,158	\$ 231	\$ 320

Note 3: Income Tax Expense

Income Tax Expense from Continuing Operations for the years ended December 31, is comprised of the following:

(in thousands)	2005	2004	2003
Federal Classified as Operating Expense from Continuing Operations	\$2,400	\$2,401	\$1,666
Federal Classified as Other Income from Continuing Operations:			
Land Sales	132	—	(11)
Land Donation	87	(280)	(246)
Non-Water Sales	467	411	330
Other	179	(74)	(66)
Total Federal Income Tax Expense from Continuing Operations	3,265	2,458	1,673
State Classified as Operating Expense from Continuing Operations	(62)	193	246
State Classified as Other Income from Continuing Operations:			
Land Sales	31	—	(3)
Land Donation	225	(965)	(733)
Non-Water Sales	119	118	86
Other	34	31	22
Total State Income Tax Expense (Benefit) from Continuing Operations	347	(623)	(382)
Total Income Tax Expense from Continuing Operations	\$3,612	\$1,835	\$1,291

The components of the Federal and State income tax provisions from Continuing Operations are:

(In thousands)	2005	2004	2003
Current from Continuing Operations:			
Federal	\$ 1,758	\$ 1,817	\$ (181)
State	(377)	240	460
Total Current from Continuing Operations	1,381	2,057	279
Deferred Income Taxes from Continuing Operations, Net:			
Federal			
Investment Tax Credit	(62)	(64)	(62)
Capitalized Interest and AFUDC	37	3	25
Depreciation	721	868	2,187
Other	810	(167)	(296)
Total Federal from Continuing Operations	1,506	640	1,854
State			
Depreciation	-	1	8
Other	725	(863)	(850)
Total State from Continuing Operations	725	(862)	(842)
Total Deferred Income Taxes from Continuing Operations, Net	2,231	(222)	1,012
Total from Continuing Operations	\$ 3,612	\$ 1,835	\$ 1,291

Deferred income tax (assets) and liabilities are categorized as follows on the Consolidated Balance Sheet:

(In thousands)	2005	2004
Unrecovered Income Taxes	\$(12,986)	\$(16,173)
Deferred Federal and State Income Taxes	24,915	24,249
Unfunded Future Income Taxes	11,273	13,096
Unamortized Investment Tax Credit	1,686	1,823
Other	(68)	(9)
Net Deferred Income Tax Liability	\$ 24,820	\$ 22,986

Deferred income tax (assets) and liabilities are comprised of the following:

(In thousands)	2005	2004
Charitable Contribution Carryforward ¹	\$ 290	\$ (1,108)
Tax Credit Carryforward ²	(1,335)	(1,292)
Alternative Minimum Tax Carryforward	(225)	(285)
Prepaid Income Taxes on CIAC	(128)	(179)
Prepaid FIT on Services	(126)	(107)
Other Comprehensive Income	188	58
Accelerated Depreciation	24,628	24,247
Net of AFUDC and Capitalized Interest	225	161
Unamortized Investment Tax Credit	1,686	1,823
Other	(383)	(332)
Net Deferred Income Tax Liability	\$24,820	\$22,986

¹2005 charitable contribution carryover expires beginning in 2006 and ending in 2009.

²State tax credit carry-forwards expire beginning 2016 and ending in 2019.

The calculation of Pre-Tax Income from Continuing Operations is as follows:

(In thousands)	2005	2004	2003
Pre-Tax Income			
Income from Continuing Operations	\$ 7,166	\$ 9,163	\$ 8,890
Income Taxes	3,612	1,835	1,291
Total Pre-Tax Income from Continuing Operations	\$10,778	\$10,998	\$10,181

In accordance with required regulatory treatment, deferred income taxes are not provided for certain timing differences. This treatment, along with other items, causes differences between the statutory income tax rate and the effective income tax rate. The differences between the effective income tax rate recorded by the Company and the statutory federal tax rate are as follows:

	2005	2004	2003
Federal Statutory Income Tax Rate	34.0%	34.0%	34.0%
Tax Effect of Differences:			
State Income Taxes Net of Federal Benefit:			
State Income Tax Excluding Land Donation Credit	0.7%	2.1%	2.3%
Land Donation Credit	1.4%	(5.8%)	(4.8%)
Depreciation	1.6%	1.7%	0.3%
Charitable Contribution—Land Donation	0.8%	(5.5%)	(4.9%)
Pension Costs	(3.3%)	(2.7%)	(0.3%)
Debt Refinancing Costs	0.7%	(3.7%)	(4.6%)
Allowance for Funds Used During Construction	(1.4%)	(1.2%)	(1.3%)
Change in Estimate of Prior Year Income Tax Expense	(2.5%)	(1.4%)	(12.1%)
Common Stock Equivalents	(0.4%)	0.4%	1.0%
Other	1.9%	(1.2%)	3.1%
Effective Income Tax Rate for Continuing Operations	33.5%	16.7%	12.7%

Note 4: Common Stock

The Company has 15,000,000 authorized shares of common stock, no par value. A summary of the changes in the common stock accounts for the period January 1, 2003 through December 31, 2005, appears below:

(in thousands, except share data)	Shares	Issuance Amount	Expense	Total
Balance, January 1, 2003	7,939,713	\$ 54,661	\$ (1,592)	\$ 53,069
Stock and Equivalents Issued Through Performance Stock Program	8,347	305	—	305
Stock Options Exercised	19,319	394	(2)	392
Balance, December 31, 2003	7,967,379	55,360	(1,594)	53,766
Stock and Equivalents Issued Through Performance Stock Program	6,893	138	—	138
Dividend Reinvestment Plan	60,927	1,622	(3)	1,619
Tax Adjustment on Prior Year Stock Options Exercised	—	(9)	—	(9)
Balance, December 31, 2004	8,035,199	57,111	(1,597)	55,514
Stock and Equivalents Issued Through Performance Stock Program	29,379	99	—	99
Dividend Reinvestment Plan	60,486	1,529	—	1,529
Stock Options Exercised	44,563	865	(2)	863
Balance, December 31, 2005 ¹	8,169,627	\$59,604	\$(1,599)	\$58,005

¹Includes 22,376 restricted shares and 49,931 common stock equivalent shares issued through the Performance Stock Programs through December 31, 2005.

The Company's Shareholder Rights Plan was authorized by the Board of Directors on August 12, 1998. Pursuant to the Plan, the Board authorized a dividend distribution of one Right to purchase one one-hundredth of a share of Series A Junior Participating Preference Stock of the Company for each outstanding share of the Company's common stock. The distribution was effected October 11, 1998.

Upon the terms of the Shareholder Rights Plan, each Right will entitle shareholders to buy one one-hundredth of a share of Series A Junior Participating Preference Stock at a purchase price of \$90, and the Rights will expire October 11, 2008. The Rights will be exercisable only if a person or group acquires 15% or more of the Company's common stock, or announces a tender or exchange offer for 15% or more of the Company's common stock. The Board will be entitled to redeem the Rights at \$0.01 per Right at any time before such acquisition occurs, and upon certain conditions after such a position has been acquired.

Upon the acquisition of 15% or more of the Company's common stock by any person or group, each Right will entitle its holder to purchase, at the Right's purchase price, a number of shares of the Company's common stock having a market value equal to twice the Right's purchase price. In such event, Rights held by the acquiring person will not be allowed to purchase any of the Company's common stock or other securities of the Company. If, after the acquisition of 15% or more of the Company's common stock by any person or group, the Company should consolidate with or merge with and into any person and the Company should not be the surviving company, or if the Company should be the surviving company and all or part of its common stock should be exchanged for the securities of any other person, or if more than 50% of the assets or earning power of the Company were sold, each Right (other than Rights held by the acquiring person, which will become void) will entitle its holder to purchase, at the Right's purchase price, a number of shares of the Company's common stock having a market value at that time equal to twice the Right's purchase price.

The Company may not pay any dividends on its common stock unless full cumulative dividends to the preceding dividend date for all outstanding shares of Preferred Stock of the Company have been paid or set aside for payment. All such Preferred stock dividends have been paid.

Note 5: Analysis of Retained Earnings

The summary of the changes in Retained Earnings for the period January 1, 2003 through December 31, 2005, appears below:

(In thousands, except per share data)	2005	2004	2003
Balance, Beginning of Year			
Net Income	\$32,264	\$29,549	\$26,906
	10,324	9,394	9,210
Dividends Declared:	42,588	38,943	36,116
Cumulative Preferred Stock, Series A, \$.80 Per Share	12	12	12
Cumulative Preferred Stock, Series \$.90, \$.90 Per Share	26	26	26
Common Stock:			
2005 \$.845 Per Share	6,773	—	—
2004 \$.835 Per Share	—	6,641	—
2003 \$.825 Per Share	—	—	6,529
Balance, End of Year	6,811	6,679	6,567
	\$35,777	\$32,264	\$29,549

Note 6: Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each of the following financial instruments.

Cash and Cash Equivalents—Cash equivalents consist of highly liquid instruments with original maturities at the time of purchase of three months or less. The carrying amount approximates fair value.

Long-Term Debt—The fair value of the Company's fixed rate long-term debt is based upon borrowing rates currently available to the Company. As of December 31, 2005 and 2004, the estimated fair value of the Company's long-term debt was \$75,609,000 and \$59,149,000, respectively, as compared to the carrying amounts of \$77,404,000 and \$66,399,000, respectively.

The fair values shown above have been reported to meet the disclosure requirements of FAS No. 107, "Disclosures About Fair Values of Financial Instruments" and do not purport to represent the amounts at which those obligations would be settled.

Interest Rate Swap—In 2004, the Connecticut Water Company entered into a five-year interest rate swap associated with its \$12.5 million 2007 series variable rate unsecured water facilities revenue refinancing bonds. This was done to manage the Company's exposure to fluctuations in prevailing interest rates. The swap agreement qualifies for hedge treatment under FAS No. 133 "Accounting for Derivative Instruments and Hedging Activities". The fair value of the interest rate swap included in the Company's Consolidated Balance sheet in "Deferred Charges and Other Costs" was approximately \$482,000 and \$145,000 at December 31, 2005 and December 31, 2004, respectively. Changes in the fair value of this derivative instrument are recorded in "Accumulated Other Comprehensive Income" in Common Stockholders' Equity.

Note 7: Long-Term Debt

Long-Term Debt at December 31, consisted of the following:

(In thousands)	2005	2004
Unsecured Water Facilities Revenue Bonds		
5.05% 1998 Series A, Due 2028	\$ 9,640	\$ 9,640
5.125% 1998 Series B, Due 2028	7,685	7,685
4.40% 2003A Series, Due 2020	8,000	8,000
5.00% 2003C Series, Due 2022	14,930	14,930
Var. 2004 Series Variable Rate, Due 2029	12,500	12,500
Var. 2004 Series A, Due 2028	5,000	5,000
Var. 2004 Series B, Due 2028	4,550	4,550
5.00% 2005 A Series, Due 2040	10,000	-
Total Connecticut Water Company	72,305	62,305
Crystal Water Utilities Corporation		
8.0% Westbank, Due 2017	105	111
Crystal Water Company of Danielson		
7.82% Connecticut Development Authority, Due 2020	-	455
5.00% Unsecured Water Facilities Revenue Bonds 2005 A Series, Due 2040	5,000	-
Total Crystal Water Company of Danielson	5,000	455
Chester Realty		
6.00% Note Payable, Due 2006	12	35
Barnstable Water Company		
10.2% Indianapolis Life Insurance, Due 2011	-	1,325
Unionville Water Company		
8.125% Farmington Savings Bank, Due 2011	842	963
3.56% State of Connecticut, Due 2023	1,471	1,531
Total Unionville Water Company	2,313	2,494
Total Connecticut Water Service, Inc.	79,735	66,725
Less Current Portion	(2,331)	(326)
Total Long-Term Debt	\$77,404	\$66,399

The Company's principal payments required for years 2006-2010 are as follows:

(In thousands)	
2006	\$2,331
2007	\$ 7
2008	\$ 7
2009	\$ 8
2010	\$ 8

At December 31, 2005 a portion of the Company's utility plant was pledged as collateral for long-term debt.

In November 2005, Connecticut Water borrowed \$10 million through the Issuance of Water Facilities Revenue Bonds by the Connecticut Development Authority sold in one series with an interest rate of five percent maturing on October 1, 2040. The proceeds from the sale of the bonds have been used to finance construction and installation of various capital improvements to the Company's existing water system.

In November 2005, Crystal borrowed \$5 million through the Issuance of Water Facilities Revenue Bonds by the Connecticut Development Authority sold in a single series with an interest rate of five percent maturing on October 1, 2040. The proceeds of the sale of the bonds have been and will be used to finance the construction of a water treatment plant in the Town of Killingly, CT and to facilitate the interconnection of two systems in the Town of Killingly.

A portion of the proceeds of the Crystal bond issuance mentioned above are held in trust and will be released to the Company after it completes the projects for which the bond issuance was granted. The Company expects to complete the projects before the end of 2006. The December 31, 2005 \$2.6 million fund balance is classified as Restricted Cash on the Balance Sheet.

Barnstable Water Company's note payable was paid off in 2005 in connection with the sale of Barnstable Water's assets. As a result of the prepayment, the Company paid the lender a prepayment fee of \$322,000.

During the first quarter of 2004, Connecticut Water refinanced a portion of its long-term debt through the issuance of \$12,500,000 of variable rate, taxable debenture bonds Series 2004 with a maturity date of January 4, 2029. The bonds have been secured by an irrevocable direct pay letter of credit issued by a financial institution, with a five-year term expiring in March 2009. The proceeds of the sale of the bonds, which are general debt obligations of Connecticut Water, were used to redeem the \$12,050,000 aggregate principal amount of Connecticut Water's First Mortgage Bonds (Series V) and to pay a portion of the expenses associated with the bonds' refunding.

In connection with the issuance of the bonds, Connecticut Water entered into an interest rate swap transaction with a counterparty in the notional principal amount of \$12,500,000. The interest rate swap agreement provides that, beginning in April 2004 and thereafter on a monthly basis, Connecticut Water will pay the counterparty a fixed interest rate of 3.73% on the notional amount for a period of five years. In exchange, the counterparty will, beginning in April 2004 and thereafter on a monthly basis, pay Connecticut Water a floating interest rate (based on 105% of the U.S. Dollar one-month LIBOR rate) on the notional amount for a period of five years. The purpose of the interest rate swap is to manage the Company's exposure to fluctuations in prevailing interest rates.

In June 2004, Unionville secured \$1.6 million through the Drinking Water State Revolving Fund for costs incurred in developing a water interconnection with a neighboring water supplier. The funds were used to pay off a portion of the balances outstanding under bank lines of credit. As of December 31, 2005 the Company intends to prepay this debt in 2006.

On September 1, 2004, The Company refinanced a portion of its existing bond indebtedness. The Company borrowed \$9.55 Million in sale proceeds from the Issuance of Water Facilities Refunding Revenue Bonds by the Connecticut Development Authority (the Authority). The bonds were sold in two series with the following terms:

2004 A Series: \$5,000,000 Variable Interest Maturing 7/1/2028

2004 B Series: \$4,550,000 Variable Interest Maturing 9/1/2028

The proceeds of the transaction were used to redeem prior obligations to the Authority that were secured by the Series T and Series U first mortgage bonds of the Company.

There are no mandatory sinking fund payments required on Connecticut Water Company's outstanding Unsecured Water Facilities Revenue Refinancing Bonds. However, the 1998 Series A and B and the 2003 Series A and C Unsecured Water Facilities Revenue Refinancing Bonds provide for an estate redemption right whereby the estate of deceased bondholders or surviving joint owners may submit bonds to the Trustee for redemption at par, subject to a \$25,000 per individual holder and a 3% annual aggregate limitation.

The outstanding Unsecured Water Facility Revenue Bonds of Connecticut Water may be initially called for redemption at the following dates and prices—1998 Series A and B, March 1, 2008 at 100% plus accrued interest; 2003 Series A, December 15, 2008 at 100% plus accrued interest; 2003 Series C, September 1, 2008 at 100% plus accrued interest; and 2005 A Series, October 1, 2009 at 100% plus accrued interest.

The Crystal Water Company Series A Water Facility Revenue Bonds may be initially called for redemption on October 1, 2009 at 100% plus accrued interest.

Unionville Water Company's term note with Farmington Savings Bank requires monthly payments of principal and interest. The note bears a fluctuating interest rate. The interest rate is adjusted on each 60-month anniversary date from the effective date of May 1, 1996. On the anniversary date (Interest Change Date) the interest rate shall be increased or decreased to a rate determined by adding 2.5 percentage points to the most recent Federal Home Loan Bank of Boston Long-Term, Regular, 5 year, Fixed Rate Mortgage Rate (Index), available 45 days prior to the Interest Change Date, rounded to the next highest one-eighth of one percentage point. Unionville may prepay the principal balance outstanding under the note without penalty for the thirty days preceding each Interest Change Date upon 30 days prior written notice to the bank. Prepayment made at any other time requires a prepayment penalty, which is 110% of the present value of the difference between the interest on the amount prepaid for the remaining term to the next Interest Change Date, as determined by the Current Index and the interest on the same amount for the remaining term to the next Interest Change Date, as determined by the Index in effect for that maturity on the day the prepayment is made. As of December 31, 2005 the Company intends to prepay this debt in 2006.

Note 8: Preferred Stock

The Company's Preferred Stock at December 31, consisted of the following:

(In thousands, except share data)	2005	2004
Connecticut Water Service, Inc.		
Cumulative Series A Voting, \$20 Par Value; Authorized, Issued and Outstanding 15,000 Shares	\$300	\$300
Cumulative Series \$.90 Non-Voting, \$16 Par Value; Authorized 50,000 Shares, Issued and Outstanding 29,499 Shares	472	472
	772	772
Barnstable Water Company		
6% Cumulative, \$100 Par Value; Authorized, Issued and Outstanding 750 Shares	75	75
Total Preferred Stock	\$847	\$847

All or any part of any series of either class of the Company's Issued Preferred Stock may be called for redemption by the Company at any time. The per share redemption prices of the Series A and Series \$.90 Preferred Stock, if called by the Company, are \$21.00 and \$16.00, respectively.

The Company is authorized to issue 400,000 shares of an additional class of Preferred Stock, \$25 par value, the general preferences, voting powers, restrictions and qualifications of which are similar to the Company's existing Preferred Stock. No shares of the \$25 par value Preferred Stock have been issued.

The Company is also authorized to issue 1,000,000 shares of \$1 par value Preference Stock, junior to the Company's existing Preferred Stock in rights to dividends and upon liquidation of the Company. 150,000 of such shares have been designated as "Series A Junior Participating Preference Stock". Pursuant to the Shareholder Rights Plan, described in Note 4, the Company keeps reserved and available for issuance one one-hundredth of a share of Series A Junior Participating Preference Stock for each outstanding share of the Company's common stock.

Barnstable Water Company paid Preferred Dividends of \$4,500 in each of 2005, 2004 and 2003. These dividends are included in the Other category of the Other Income (Deductions) section of the Consolidated Statements of Income. These preferred shareholders have 1/10 of a common vote for matters related to Barnstable Water Company.

Note 9: Bank Lines of Credit

The Company's total available lines of credit totaled \$15,500,000 at December 31, 2005 and 2004, respectively. All of the lines have one year lives and will expire at different dates in 2006. The Company expects the lines of credit to be renewed in 2006. As of December 31, 2005 and 2004, the outstanding bank lines of credit were \$4,750,000 and \$5,650,000 respectively. Bank commitment fees associated with the lines of credit were approximately \$37,500, \$37,500, and \$30,000 in 2005, 2004, and 2003 respectively.

At December 31, 2005 and 2004, the weighted average interest rates on short-term borrowings outstanding were 4.62% and 2.83%, respectively.

Note 10: Utility Plant and Construction Program

The components of utility plant and equipment at December 31, were as follows:

(in thousands)	2005	2004
Land	\$ 9,139	\$ 9,652
Source of Supply	24,423	20,724
Pumping	23,650	25,348
Water Treatment	46,812	47,726
Transmission and Distribution	216,513	209,887
General	19,800	20,228
Held for Future Use	418	420
Total	\$340,755	\$333,985

The amounts of depreciable utility plant at December 31, 2005 and 2004 included in total utility plant were \$295,105,000 and \$291,641,000, respectively.

Barnstable Water Company had Utility Plant of \$11,519,000 as of December 31, 2004 that was sold during 2005.

Note 11: Taxes Other Than Income Taxes

Taxes Other than Income Taxes consist of the following:

(in thousands)	2005	2004	2003
Municipal Property Taxes	\$4,708	\$4,527	\$4,374
Payroll Taxes	677	652	648
Total	\$5,385	\$5,179	\$5,022

Note 12: Pension and Other Post-Retirement Employee Benefits

General—As of December 31, 2005, Connecticut Water had 167 employees, Crystal 11, Barnstable Water 6, and Unionville 7 for a total of 191 employees. The Company's officers are employees of Connecticut Water. Employee expenses are charged between companies as appropriate.

Investment Strategy—The Pension Trust and Finance Committee (the Committee) reviews and approves the investment strategy of the investments made on behalf of various pension and post-retirement benefit plans existing under the Company and certain of its subsidiaries.

The targeted asset allocation ratios for those plans as set by the Committee at December 31, 2005 and 2004 were:

	2005	2004
Equity	65%	65%
Fixed Income	35%	35%
Total	100%	100%

The Committee recognizes that a variation of up to 5% in either direction from its targeted asset allocation mix is acceptable due to market fluctuations.

Our expected long-term rate of return on the various benefit plan assets is based upon the plan's expected asset allocation, expected returns on various classes of plan assets as well as historical returns. The expected long-term rates of return on the Company's pension plan is 8%.

Pension

Defined Contribution Plan—Through 2003, one of the Company's subsidiaries, Unionville, had a noncontributory defined contribution pension plan which covered all employees who had completed one year of service. Unionville provided a contribution to the plan based upon 10% of the participant's annual pay. The Unionville contribution charged to expense under this plan for the twelve months ended December 31, 2003 was \$31,000. Effective December 31, 2003, the Unionville pension plan was terminated. Effective January 1, 2004, the employees of Unionville are covered by the Company's non-contributory defined benefit pension plan.

Defined Benefit Plans—The Company and certain of its subsidiaries have noncontributory defined benefit pension plans covering qualified employees. In general, the Company's policy is to fund accrued pension costs as permitted by federal income tax and Employee Retirement Income Security Act of 1974 regulations. A contribution of \$2,069,000 was made in 2005 for 2004 plan year. A contribution of approximately \$2,450,000 is expected to be made in 2006 for plan year 2005.

The following tables set forth the funded status of the Company's retirement plans at December 31, the latest valuation date:

Pension Benefits

(In thousands)	2005	2004
Change in Benefit Obligation:		
Benefit Obligation, Beginning of Year		
Service Cost	\$27,049	\$ 23,812
Interest Cost	1,050	951
Actuarial Loss/(Gain)	1,552	1,458
Benefits Paid	2,008	1,807
Benefit Obligation, End of Year	(1,150)	(979)
	\$30,509	\$27,049
Change in Plan Assets:		
Fair Value, Beginning of Year		
Actual Return on Plan Assets	\$22,250	\$ 20,311
Employer Contribution	1,737	2,004
Benefits Paid	2,009	914
Fair Value, End of Year	(1,150)	(979)
	\$24,846	\$22,250
Funded Status		
Unrecognized Net Actuarial (Gain) Loss	\$(5,663)	\$(4,799)
Unrecognized Transition Obligation	3,171	1,577
Unrecognized Prior Service Cost	13	24
Accrued Cost	730	827
	\$(1,749)	\$(2,371)

The accumulated benefit obligation for all defined benefit pension plans was approximately \$24,031,000 and \$21,195,000 at December 31, 2005 and 2004, respectively.

Weighted-Average Assumptions Used to Determine Benefit Obligations at December 31:	2005	2004
Discount Rate	5.50%	5.75%
Rate of Compensation Increase	4.50%	4.50%
	2005	2004
Weighted-Average Assumptions Used to Determine Net Periodic Cost for Years Ended December 31:		
Discount Rate	5.75%	6.25%
Expected Long-Term Return on Plan Assets	8.00%	8.00%
Rate of Compensation Increase	4.50%	4.50%

The discount rate is based on interest rates for long-term, high quality, fixed income investments. The Company looks at the general trend of several different bond indices.

Pension Benefits

(in thousands)	2005	2004	2003
Components of Net Periodic Benefit Costs			
Service Cost	\$1,050	\$ 951	\$ 843
Interest Cost	1,552	1,458	1,390
Expected Return on Plan Assets	(1,645)	(1,572)	(1,544)
Amortization of:			
Unrecognized Net Transition Asset	10	12	12
Unrecognized Net (Gain)/Loss	322	95	(2)
Unrecognized Prior Service Cost	98	108	108
Net Periodic Pension Benefit Costs	\$1,387	\$ 1,052	\$ 807

Plan Assets

The Company's pension plan weighted-average asset allocations at December 31, 2005, and 2004, by asset category were as follows:

	2005	2004
Equity Securities	65%	67%
Fixed Income	35	33
Total	100%	100%

The Plan's expected future benefit payments are:

Year	Amount
2006	\$ 1,137,000
2007	1,238,000
2008	1,566,000
2009	1,593,000
2010	1,847,000
Years 2011-2015	\$12,337,000

Post-Retirement Benefits Other Than Pension (PBOP) — In addition to providing pension benefits, a subsidiary company, Connecticut Water Company, provides certain medical, dental and life insurance benefits to retired employees partially funded by a 501(c)(9) Voluntary Employee Beneficiary Association Trust that has been approved by the DPUC. Substantially all of Connecticut Water's employees may become eligible for these benefits if they retire on or after age 55 with 10 years of service. The contribution for calendar years 2005 and 2004 was \$473,100 for each year.

A regulatory asset has been recorded to reflect the amount which represents the future FAS 106 costs expected to be recovered in customer rates. In 1997, Connecticut Water requested and received approval from the DPUC to include FAS 106 costs in customer rates. The DPUC's 1997 limited reopener of Connecticut Water's general rate proceeding allowed it to increase customer rates \$208,000 annually for FAS 106 costs. Connecticut Water's current rates now allow for recovery of \$473,100 annually for post-retirement benefit costs other than pension.

The Company uses 10 corridor, as permitted by FAS 106, when recognizing actuarial gains and losses.

Connecticut Water has elected to recognize the transition obligation on a delayed basis over a period equal to the plan participants' 21.6 years of average future service.

The Company has concluded that the postretirement welfare plan's benefits will be considered actuarially equivalent to the benefits provided by Medicare Part D. The Company does not intend to apply for the government subsidy for post-retirement prescription drug benefits, even though it expects to be eligible. Therefore, the impact of the subsidy on the plan's liabilities are not reflected in the December 31, 2005 disclosure.

Another subsidiary company, Barnstable Water, also provides certain health care benefits to eligible retired employees. Substantially all Barnstable Water employees may become eligible for these benefits if they retire on or after age 65 with at least 15 years of service. Post-65 medical coverage is provided for employees up to a maximum coverage of \$500 per quarter. Barnstable Water's PBOP currently is not funded.

The following tables set forth the funded status of the Company's post-retirement health care benefits at December 31, the latest valuation date:

(In thousands)	Connecticut Water		Barnstable Water	
	2005	2004	2005	2004
Change in Benefit Obligation:				
Benefit Obligation, Beginning of Year	\$ 6,605	\$ 5,234	\$ 100	\$ 94
Service Cost	460	311	2	2
Interest Cost	405	323	5	6
Plan Participant Contributions	83	75	—	—
Actuarial Loss/(Gain)	1,186	1,067	(3)	2
Benefits Paid	(486)	(405)	(5)	(4)
Benefit Obligation, End of Year	\$ 8,253	\$ 6,605	\$ 99	\$ 100
Change in Plan Assets:				
Fair Value, Beginning of Year	\$ 3,566	\$ 3,179	\$ —	\$ —
Actual Return on Plan Assets	209	244	—	—
Employer Contribution	473	473	5	4
Participants' Contributions	83	75	—	—
Benefits Paid	(486)	(405)	(5)	(4)
Fair Value, End of Year	\$ 3,845	\$ 3,566	\$ —	\$ —
Funded Status	\$(4,408)	\$(3,039)	\$(99)	\$(100)
Unrecognized Net Actuarial (Gain) Loss	1,969	988	(42)	(40)
Unrecognized Transition Obligation	843	963	53	58
Accrued Cost	\$ (1,596)	\$(1,088)	\$(88)	\$(82)

Weighted-Average Assumptions Used to Determine Benefit Obligations at December 31:	Connecticut Water		Barnstable Water	
	2005	2004	2005	2004
Discount Rate	5.50%	5.75%	5.50%	5.75%
Weighted-Average Assumptions Used to Determine Net Periodic Benefit Cost for Years Ended December 31:				
Discount Rate	5.75%	6.25%	5.75%	6.25%
Expected Long-Term Return on Plan Assets	5.00%	5.00%	—	—
Rate of Compensation Increase	4.50%	4.50%	—	—

The discount rate is based on interest rates for long-term, high quality, fixed income investments. The Company looks at the general trend of several different bond indices.

(in thousands)	Connecticut Water			Barnstable Water		
	2005	2004	2003	2005	2004	2003
Components of Net Periodic Benefit Costs						
Service Cost	\$460	\$ 311	\$270	\$ 2	\$ 2	\$ 2
Interest Cost	405	323	314	5	6	6
Expected Return on Plan Assets	(168)	(158)	(145)	—	—	—
Amortization of:						
Unrecognized Net Transition Asset	120	121	165	6	6	6
Recognized Net (Gain)/Loss	164	18	(31)	(2)	(3)	(4)
Net Periodic Pension and Post Retirement Benefit Costs	\$ 981	\$ 615	\$573	\$11	\$11	\$10

Assumed Health Care Cost Trend Rates at December 31:	2005		2004	
	Medical	Dental	Medical	Dental
Health Care Cost Trend Rate Assumed for Next Year	8.5%	8.5%	8.5%	8.5%
Rate to Which the Cost Trend Rate is Assumed to Decline	4.0%	4.0%	4.0%	4.0%
Year That the Rate Reaches the Ultimate Trend Rate	2015	2015	2014	2014

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans.

A one-percentage-point change in assumed health care cost trend rates would have the following effects on Connecticut Water's plan and would have no impact on the Barnstable Water plan:

(in thousands)	One-Percentage-Point	One-Percentage-Point
	Increase	Decrease
Effect on Total of Service and Interest Cost Components	\$ 139	\$(113)
Effect on Post-Retirement Benefit Obligation	\$ 1,078	\$(901)

Plan Assets

Barnstable Water's other post-retirement benefit plan has no assets. Connecticut Water's other postretirement benefit plan weighted-average asset allocations at December 31, 2005 and 2004, by asset category were as follows:

	2005	2004
Equity Securities	63%	57%
Fixed Income	37	43
Total	100%	100%

Cash Flows

Connecticut Water contributed \$473,100 to its other post-retirement benefit plan in 2005 for plan year 2005 and expects to contribute \$473,100 in 2006 for plan year 2006.

Expected future benefit payments are:

Year	Connecticut Water	Barnstable
2006		
2007	\$ 310,000	\$ 8,000
2008	338,000	8,000
2009	354,000	7,000
2010	390,000	7,000
Years 2011-2015	416,000	7,000
	\$2,750,000	\$38,000

Supplemental Executive Retirement Plan — Connecticut Water and Barnstable Water provide additional pension benefits to senior management through supplemental executive retirement contracts. At December 31, 2005 and 2004 the actuarial present value of the projected benefit obligation of these contracts were \$1,530,000 and \$1,301,000, respectively. Expense associated with these contracts was approximately \$194,000 for 2005, \$105,000 for 2004, and \$152,000 for 2003.

Savings Plan — The Company and certain of its subsidiaries maintain an employee savings plan which allows participants to contribute from 1% to 15% of pre-tax compensation plus for those age 50 and older catch-up contributions as allowed by law. The Company matches 50 cents for each dollar contributed by the employee up to 4% of the employee's compensation. The Company contribution charged to expense in 2005, 2004 and 2003 was \$168,000, \$174,000, and \$166,000, respectively.

The Plan creates the possibility for an "incentive bonus" contribution to the 401(k) plan tied to the attainment of a specific goal or goals to be identified each year. If the specific goal or goals are attained by the end of the year, all eligible employees, except officers and certain key employees, may receive up to an additional 1% of their annual base salary as a direct contribution to their 401(k) account. An incentive bonus of .6% of base pay, or a total of \$50,000 was accrued for 2005, to be paid in 2006. An incentive bonus of .6% of base pay, or a total of \$51,000 was awarded in 2005 for 2004. No incentive bonus was awarded in 2003.

Note 13: Stock-Based Compensation Plans

The Company's 2004 Performance Stock Program (2004 PSP), approved by shareholders in 2004, authorizes the issuance of up to 700,000 shares of Company Common Stock. As of December 31, 2005 there were 665,728 shares available for grant. In total under the original Plans (1999 Plans) there were 700,000 shares authorized and 225,218 shares available for grant at December 31, 2005. There are four forms of awards under the 2004 PSP. Stock options are one form of award. The Company has not issued any stock options since 2003, and does not anticipate issuing any more for the foreseeable future. The other three forms of award which the Company has continued to issue are: Restricted Stock, Performance Shares and Cash Units.

Stock Options — The Company issued stock options between 1999 and 2003 and accounts for those options under APB Opinion No. 25, under which no compensation cost has been recognized in the Consolidated Statements of Income. On a pro forma basis, the Company's net income and earnings per share are shown in Note 1. Beginning January 1, 2006 compensation expense will be recognized when FAS 123(R) becomes effective.

For purposes of this calculation, the Company arrived at the fair value of each stock grant at the date of grant by using the Black Scholes Option Pricing model with the following weighted average assumptions used for grants for the years ended December 31, 2005, 2004 and 2003.

	2005	2004	2003
Expected Life (Years)	—	—	5.00
Risk-Free Interest Rate (Percentage)	—	—	2.79
Volatility (Percentage)	—	—	30.00
Dividend Yield (Percentage)	—	—	2.91

Options begin to become exercisable one year from the date of grant. Vesting periods range from one to five years.

The maximum term ranges from five to ten years.

The per share weighted average fair value of stock options granted during 2003 was \$6.42. No stock options were granted in 2004 and 2005.

For the Years Ended December 31,	2005		2004		2003	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Options:						
Outstanding, Beginning of Year	251,835	\$ 22.85	251,835	\$22.85	235,101	\$ 21.41
Granted	—	—	—	—	36,053	29.05
Terminated	(5,001)	25.78	—	—	—	—
Exercised	(44,563)	17.11	—	—	(19,319)	16.91
Outstanding, End of Year	202,271	24.04	251,835	22.85	251,835	22.85
Exercisable, End of Year	175,685	\$23.44	196,731	\$21.48	119,992	\$ 21.35

No options were exercised during 2004. The following table summarizes the price ranges of the options outstanding and options exercisable as of December 31, 2005:

Range of Prices:	Options Outstanding			Options Exercisable	
	Shares	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
\$12.00—\$14.99	19,305	3.3	\$14.83	19,305	\$14.83
\$15.00—\$17.99	—	—	—	—	—
\$18.00—\$20.99	31,314	4.9	20.42	31,314	20.42
\$21.00—\$23.99	47,596	3.9	22.33	47,596	22.33
\$24.00—\$26.99	34,253	6.9	25.78	25,690	25.78
\$27.00—\$29.99	69,803	6.6	28.52	51,780	28.33
	202,271	5.5	\$24.04	175,685	\$23.44

Note 14: Segment Reporting

Our Company operates principally in three segments: water activities, real estate transactions, and services and rentals. The water segment is comprised of our core regulated water activities to supply water to our customers. Our real estate transactions segment involves selling or donating for income tax benefits our limited excess real estate holdings. Our services and rentals segment provides services on a contract basis and also leases certain of our properties to third parties. The accounting policies of each reportable segment are the same as those described in the summary of significant accounting policies. Financial data for reportable segments is as follows:

(in thousands)	Revenues	Depreciation	Other Operating Expenses	Other Income (Deductions)	Interest Expense (net of AFUDC)	Income Taxes	Income from Continuing Operations
For the Year Ended December 31, 2005							
Water Activities	\$47,453	\$5,724	\$29,899	\$276	\$3,274	\$2,550	\$6,282
Real Estate Transactions	495	—	81	—	—	475	(61)
Services and Rentals	4,123	36	2,555	—	—	587	945
Total	\$52,071	\$5,760	\$32,535	\$276	\$3,274	\$3,612	\$7,166
For the Year Ended December 31, 2004							
Water Activities	\$46,008	\$5,570	\$27,549	\$111	\$3,321	\$2,551	\$7,128
Real Estate Transactions	(12)	—	27	—	—	(1,245)	1,206
Services and Rentals	4,655	33	3,264	—	—	529	829
Total	\$50,651	\$5,603	\$30,840	\$111	\$3,321	\$1,835	\$9,163
For the Year Ended December 31, 2003							
Water Activities	\$44,598	\$5,483	\$26,108	\$26	\$3,996	\$1,868	\$7,169
Real Estate Transactions	170	—	133	(1)	—	(993)	1,029
Services and Rentals	3,714	23	2,583	—	—	416	692
Total	\$48,482	\$5,506	\$28,824	\$25	\$3,996	\$1,291	\$8,890

At December 31 (in thousands)	2005	2004
Total Plant and Other Investments:		
Water	\$251,511	\$245,085
Non-Water	733	989
	252,244	246,074
Other Assets:		
Water	46,746	39,897
Non-Water	7,045	4,969
	53,791	44,866
Total Assets	\$306,035	\$290,940

Note 15: Commitments and Contingencies

Security—The Bioterrorism Response Act of 2001 required every public water system serving over 3,300 people to prepare Vulnerability Assessments (VA) of their critical utility assets. The last of these assessments required to be filed by our companies were submitted to the U.S. Environmental Protection Agency in June 2004 and was followed by updated Emergency Response Plans in December 2004, per statutory requirements. The information within the VA is not subject to release to the public and is protected from Freedom of Information Act inquiries.

Investment in security-related improvements is a continuing process and management believes that the costs associated with any such improvements would be chargeable for recovery in future rate proceedings.

Reverse Privatization—Our water companies derive their rights and franchises to operate from state laws that are subject to alteration, amendment or repeal, and do not grant permanent exclusive rights to our service areas. Our franchises are free from burdensome restrictions, are unlimited as to time, and authorize us to sell potable water in all towns we now serve. There is the possibility that states could revoke our franchises and allow a governmental entity to take over some or all of our systems. From time to time such legislation is contemplated.

Environmental and Water Quality Regulation—The Company is subject to environmental and water quality regulations. Costs to comply with environmental and water quality regulations are substantial. We are currently in compliance with current regulations, but the regulations are subject to change at any time. The costs to comply with future changes in state or federal regulations, which could require us to modify current filtration facilities and/or construct new ones, or to replace any reduction of the safe yield from any of our current sources of supply, could be substantial.

Rate Relief—Our three Connecticut operating subsidiaries, Connecticut Water, Crystal, and Unionville, are regulated public utilities which provide water services to their customers. The rates that these companies charge their water customers are subject to the jurisdiction of the regulatory authority of the Connecticut DPUC, which sets water rates for each company independently because the systems are not interconnected.

The DPUC may authorize the Company's operating subsidiaries to charge rates which the DPUC consider to be sufficient to recover the normal operating expenses of our operating subsidiaries, to provide funds for adding new or replacing water infrastructure, and to allow our operating subsidiaries to earn what the DPUC consider to be a fair and reasonable return on our invested capital.

The Company has filed with the DPUC to merge all of its Connecticut subsidiaries into Connecticut Water in February 2006. On March 20, 2006, the DPUC issued a Draft Decision which would approve this merger. Further, the Company believes that it will apply for a rate increase for Connecticut Water during the summer of 2006.

Land Dispositions—Starting with its first land donation in 2000, the Company has engaged in a program of land donations to municipalities in Connecticut, which has resulted in net income (tax benefits) to the Company of approximately \$3.9 million. As previously disclosed, the land donation program under the Company's agreement with the Town of Killingly, CT was completed in January 2004 with the donation of the remaining parcel to the Town. The donation of this final parcel resulted in a net profit (tax benefit) to the Company of \$706,000 during the first quarter of 2004. The donation of land to the Town of Plymouth, CT in December 2004 resulted in an additional \$498,000 of net income.

The Company and its subsidiaries own additional parcels of land in Connecticut and Massachusetts which may be suitable in the future for disposition, either by sale or by donation to municipalities, other local governments or private charitable entities. These additional parcels would include certain Class I and II parcels previously identified by the Connecticut DEP in the DEP notice noted above, as well as certain lands owned by BARLACO in Barnstable, Massachusetts.

During 2005, the Company had one significant land transaction. Connecticut Water sold 7.4 acres of land in Bristol, Connecticut for \$175,000 resulting in a net profit of \$256,000 on the transaction.

During 2003 and 2004, the Company donated approximately 370 acres of land to municipalities in Connecticut for public and/or open space purposes. These donations contributed approximately \$1.0 million and \$1.2 million, respectively to net income in those years, as a result of favorable tax treatment under federal and Connecticut tax laws. The Company currently anticipates that it will continue to pursue selected land sales and/or donations during fiscal years 2006, 2007 and 2008, but at a reduced level. The Company currently does not project completing any material land transactions in 2006 except for the sale of the BARLACO land. The Company is unable to predict if and when any sales or donations of some or all of these parcels may occur in the future and, if so, what amount of net income (tax benefits) may result from any such sales or donations.

Amounts taken as tax benefits in prior years are subject to challenge by the taxing agencies. In 2005, the Company increased its tax reserves by approximately \$400,000 for land valuation allowances.

Taxes—Due to the current environment of state budget deficits, the Company and its subsidiaries may be subject to a higher tax burden through changes in state legislation. Also, the Company's future property tax burden may increase as state aid to towns is decreased.

On August 18, 2005, the Company was notified by the Internal Revenue Service (IRS) that they would be conducting an audit of the Company's 2003 Federal Income Tax Return. The field work portion of the audit is complete and the IRS has summarized its proposed adjustments. Other than a proposed change to the value of donated land, none of the other changes are material. The Company continues to believe that the value of donated land included in its 2003 Federal Income Tax Return is correct. Discussions between the Company and the IRS are continuing. The Company does not believe that IRS proposed changes would materially affect financial results.

Note 16: Quarterly Financial Data (Unaudited)

Selected quarterly financial data for the years ended December 31, 2005 and 2004 appears below:

(in thousands, except for per share data)	First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
	2005	2004	2005	2004	2005	2004	2005	2004
Operating Revenues	\$10,924	\$10,389	\$10,986	\$11,368	\$14,088	\$13,148	\$11,455	\$11,103
Utility Operating Income	2,231	1,851	1,712	2,699	3,793	4,185	1,756	1,594
Income from Continuing Operations	1,997	1,948	1,183	2,100	3,282	3,568	704	1,547
Discontinued Operations	(12)	33	2,905	33	46	172	219	(7)
Net Income	1,985	1,981	4,088	2,133	3,328	3,740	923	1,540
Basic Earnings per Common Share—								
Continuing Operations	0.25	0.24	0.15	0.26	0.40	0.45	0.09	0.20
Basic Earnings per Common Share—								
Discontinued Operations	—	—	0.35	0.01	0.01	0.01	0.02	—
Basic Earnings per Common Share	0.25	0.24	0.50	0.27	0.41	0.46	0.11	0.20

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Connecticut Water Service, Inc.:

We have completed integrated audits of Connecticut Water Service, Inc.'s 2005 and 2004 consolidated financial statements and of its internal control over financial reporting as of December 31, 2005, and an audit of its 2003 consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Our opinions, based on our audits, are presented below.

Consolidated financial statements

In our opinion, the accompanying balance sheets and the related consolidated statements of income, comprehensive income and cash flows present fairly, in all material respects, the financial position of Connecticut Water Service, Inc. and its subsidiaries at December 31, 2005 and 2004, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2005 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Internal control over financial reporting

Also, in our opinion, management's assessment, included in the accompanying Report of Management on Internal Control Over Financial Reporting, that the Company maintained effective internal control over financial reporting as of December 31, 2005 based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), is fairly stated, in all material respects, based on those criteria. Furthermore, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2005, based on criteria established in *Internal Control—Integrated Framework* issued by the COSO. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express opinions on management's assessment and on the effectiveness of the Company's internal control over financial reporting based on our audit. We conducted our audit of internal control over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. An audit of internal control over financial reporting includes obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Ernst & Young LLP

Boston, Massachusetts

March 30, 2006

EXHIBIT C

THE COMPANY
Report for the year ended December 31, 2005

OPERATING REVENUES (Account 400)

1. Report below the amount of operating revenue for the year for each prescribed account and the amount of increase or decrease over the preceding year.
 2. If increases or decreases are not derived from previously reported numbers explain any inconsistencies.
 3. Number of customers should be reported on the basis of number of meters, plus number of flat rate accounts except that where separate meters are added for billing purposes one customer shall be counted for each group of meters so added. The average number of customers means the average of the 12 figures at the close of each month. If the customer count in the residential service classification includes customers counted more than once because of special services, such as air conditioning, etc. indicate in a footnote the number of such duplicate customers included in the classification.
 4. Unmetered sales should be included below.
 *5. Classification of Commercial and Industrial Sales according to Small (or Commercial) and Large (or Industrial) may be the basis of classification regularly used by the respondent or on the basis of meter size (i.e. to 3/4" Residential, 1 1/2" Commercial, 2" and over Industrial.)
 Explain basis of classification.

Line No.	Account (a)	OPERATING REVENUES		THOUSAND GALLONS SOLD*		AVERAGE NUMBER OF CUSTOMERS PER MONTH
		Amount for year (b)	Increase or decrease from preceding year (c)	Amount for year (d)	Increase or decrease from preceding year (e)	
1	OPERATING REVENUES	\$	\$			
2	SALES OF WATER					
3	Unmetered sales to general customers (460)					
4	Residential					
5	Commercial					
6	Industrial					
7	Seasonal	290,400	(1,450)			
8	Contract sales	6,044	1,937			924
9	Total (460)	296,444	487			924
10	Metered sales to general customers (461)					
11	Residential *	26,016,963	952,414	4,365,234	207,910	61,194
12	Commercial	5,020,933	138,441	995,273	21,280	4,571
13	Industrial	1,310,601	(76,658)	322,152	(14,370)	309
14	Public Authorities (464)	1,404,073	175,576	328,165	47,570	477
15	Seasonal	451,127	(866)	24,607	(468)	1,525
16	Total	34,203,697	1,188,907	6,033,431	261,932	68,076
17	Private fire-protection service (462)	1,046,461	25,339	X X X X X	X X X X X	1,005
18	Public fire-protection service (463)	5,880,774	104,533	X X X X X	X X X X X	285
19	Sales to irrigation customers (465)					
20	Interdepartmental sales (467)					
21	Sales for resale (466) (page 413)	34,835	3,102			
22	Acquisition Surcharge - Sound View	10,235	1,512	8,233	959	7
23						
24						
25	Total sales of water	41,472,446	1,323,880	6,041,664	262,891	70,287
26	OTHER OPERATING REVENUES					
27	Forfeited discounts (470)					
28	Miscellaneous service revenues (471)	64,668	(8,262)			
29	Rents from water property (472)					
30	Interdepartmental rents (473)					
31	Other water revenues (474) (Raw Water)					
32						
33						
34	Total other operating revenues	64,668	(8,262)			
35	Total operating revenues	41,537,134	1,315,618			

*Includes Accrued Revenues of \$17,383

**Contract sales customers are counted as Metered-Commercial.

(Page 300, Line 2)

(See page 105 Important Changes During the Year, for important new territory added and important rate increases or decreases.)
 *Where water meters record cubic feet, multiply cubic feet by 7.48 to obtain number of gallons.

THE CONNECTICUT WATER COMPANY
Report for the Year ended December 31, 2004

OPERATING REVENUES (Account 400)

1. Report below the amount of operating revenue for the year for each prescribed account and the amount of increase or decrease over the preceding year.
 2. If increases or decreases are not derived from previously reported numbers explain any inconsistencies.
 3. Number of customers should be reported on the basis of number of meters, plus number of flat rate accounts except that where separate meters are added for billing purposes one customer shall be counted for each group of meters so added. The average number of customers means the average of the 12 figures at the close of each month. If the customer count in the residential service classification includes customers counted more than once because of special services, such as air conditioning, etc. indicate in a footnote the number of such duplicate customers included in the classification.
 4. Unmetered sales should be included below.
 - *5. Classification of Commercial and Industrial Sales according to Small (or Commercial) and Large (or Industrial) may be the basis of classification regularly used by the respondent or on the basis of meter size (i.e. to 3/4" Residential, 1 1/2" Commercial, 2" and over Industrial.)
- Explain basis of classification.

Line No.	Account (a)	OPERATING REVENUES			THOUSAND GALLONS SOLD*			Increase or decrease from preceding year (g)
		Amount for year (b)	Increase or decrease from preceding year (c)	Amount for year (d)	Increase or decrease from preceding year (e)	Number for year (f)		
1	OPERATING REVENUES	\$						
2	SALES OF WATER							
3	Unmetered sales to general customers (460)							
4	Residential							
5	Commercial							
6	Industrial							
7	Seasonal	291,850	6,802				923	4
8	** Contract sales	4,107	185				10	(1)
9	Total (460)	295,957	6,987				933	3
10	Metered sales to general customers (461)							
11	Residential	25,064,549	757,370	4,157,324	125,978		60,333	665
12	Commercial	4,882,492	72,108	973,983	4,061		4,415	105
13	Industrial	1,387,259	(15,684)	336,522	(6,837)		300	(17)
14	Public Authorities (464)	1,228,497	(73,616)	278,595	(35,943)		446	(18)
15	Seasonal	451,993	25,517	25,075	3,296		1,544	(11)
16	Total	33,014,790	765,895	5,771,499	90,555		67,038	724
17	Private fire-protection service (462)	1,021,122	30,174	X X X X X X	X X X X X X		962	30
18	Public fire-protection service (463)	5,776,241	106,729	X X X X X X	X X X X X X		270	14
19	Sales to irrigation customers (465)							
20	Interdepartmental sales (467)							
21	Sales for resale (466) (page 413)	31,733	686	7,274	185		7	1
22	Acquisition Surcharge - Sound View	8,723	1,556					
23								
24								
25	Total sales of water	40,148,566	911,827	5,778,773	90,740		69,210	772
26	OTHER OPERATING REVENUES							
27	Forfeited discounts (470)							
28	Miscellaneous service revenues (471)	72,950	8,271					
29	Rents from water property (472)							
30	Interdepartmental rents (473)							
31	Other water revenues (474) (Raw Water)							
32								
33								
34	Total other operating revenues	72,950	8,271					
35	Total operating revenues	40,221,516	920,098					
36								

(See page 105 Important Changes During the Year, for important new territory added and important rate increases or decreases)
*Where water meters record cubic feet, multiply cubic feet by 7.48 to obtain number of gallons **Contract sales customers are counted as Metered-Commercial.
(Page 300, Line 2)

THE CONNECTICUT WATER COMPANY
Report for the Year ended December 31, 2003

OPERATING REVENUES (Account 400)

1. Report below the amount of operating revenue for the year for each prescribed account and the amount of increase or decrease over the preceding year.
2. If increases or decreases are not derived from previously reported numbers explain any inconsistencies.
3. Number of customers should be reported on the basis of number of meters, plus number of flat rate accounts except that where separate meters are added for billing purposes one customer shall be counted for each group of meters so added. The average number of customers means the average of the 12 figures at the close of each month. If the customer count in the residential service classification includes customers counted more than once because of special services, such as air conditioning, etc. indicate in a footnote the number of such duplicate customers included in the classification.
4. Unmetered sales should be included below.
- *5. Classification of Commercial and Industrial Sales according to Small (or Commercial) and Large (or Industrial) may be the basis of classification regularly used by the respondent or on the basis of meter size (i.e. to 3/4" Residential, 1 1/2" Commercial, 2" and over Industrial.)

Line No.	Account	OPERATING REVENUES			THOUSAND GALLONS SOLD*			Increase or decrease from preceding year (g)
		Amount for year (b)	Increase or decrease from preceding year (c)	Amount for year (d)	Increase or decrease from preceding year (e)	Number for year (f)		
1	OPERATING REVENUES	\$	\$					
2	SALES OF WATER							
3	Unmetered sales to general customers (460)							
4	Residential							
5	Commercial							
6	Industrial	285,048	2,037				919	13
7	Seasonal	3,922	1,630				11	11
8	** Contract sales						930	24
9	Total (460)	288,970	3,667					
10	Metered sales to general customers (461)							
11	Residential	24,307,179	(850,261)	4,031,346	(178,719)	59,868		960
12	Commercial	4,810,384	(25,212)	969,822	(3,301)	4,310		69
13	Industrial	1,402,843	(7,848)	343,359	(21,657)	317		(2)
14	Public Authorities (464)	1,302,113	21,249	314,538	19,796	464		6
15	Seasonal	428,476	(43,022)	21,779	(4,282)	1,555		(16)
16	Total	32,249,095	(975,084)	5,680,944	(188,163)	86,314		1,017
17	Private fire-protection service (462)	990,948	25,660	X X X X X X	X X X X X X	932		24
18	Public fire-protection service (463)	5,669,512	115,690	X X X X X X	X X X X X X	256		8
19	Sales to irrigation customers (465)							
20	Interdepartmental sales (467)	31,047	(26,496)	7,089	(7,204)	6		
21	Sales for resale (466) (page 413)	7,167	7,167					
22	Acquisition Surcharge - Sound View							
23								
24								
25	Total sales of water	39,236,739	(849,406)	5,688,033	(195,367)	68,438		1,073
26	OTHER OPERATING REVENUES							
27	Forfeited discounts (470)							
28	Miscellaneous service revenues (471)	64,679	739					
29	Rents from water property (472)							
30	Interdepartmental rents (473)							
31	Other water revenues (474) (Raw Water)							
32								
33								
34	Total other operating revenues	64,679	739					
35	Total operating revenues	39,301,418	(848,667)					
36								

(Page 300, Line 2)

(See page 105 Important Changes During the Year, for important new territory added and important rate increases or decreases)
 *Where water meters record cubic feet, multiply cubic feet by 7.48 to obtain number of gallons.
 **Contract sales customers are counted as Metered-Commercial.

EXHIBIT D

YEAR ROUND CUSTOMERS

Rates for year round customers in all systems *except* South Coventry, Middlebury and Bradley Field.

BASIC SERVICE CHARGE:

Meter Size	Quarterly Charge	Monthly Charge	Daily Rate
5/8"	\$22.31	\$7.44	\$0.244493
3/4"	\$33.46	\$11.15	\$0.366684
1"	\$55.76	\$18.59	\$0.611068
1 1/2"	\$111.54	\$37.18	\$1.222356
2"	\$178.45	\$59.48	\$1.955616
3"	\$334.60	\$111.54	\$3.666849
4"	\$557.66	\$185.89	\$6.111342
6"	\$1115.32	\$371.77	\$12.222684
8"	\$1784.50	\$594.84	\$19.556164
10"	\$2677.20	\$892.80	\$29.339178

Note:

The daily rate is calculated using four quarterly charges divided by 365 days to establish the per diem rate used to reflect the actual number of days in a particular billing cycle for each customer.

*Brookside customers pay \$22.31 for 5/8" or 3/4" meter.

COMMODITY CHARGE:

CUSTOMER CLASS	DIVISION			
	CT WATER	CRYSTAL	GALLUP BROOKSIDE BAY MOUNTAIN SDC MASONS ISLAND	UNIONVILLE
Charge— All Consumption				
	<i>Per Thousand Gallons</i>	<i>Per Thousand Gallons</i>	<i>Per Thousand Gallons</i>	<i>Per Thousand Gallons</i>
Residential	\$5.680	\$4.135	\$5.097	\$3.038
Commercial	\$4.971	\$3.335	\$4.273	\$2.460
Industrial	\$4.228	\$2.280	\$4.336	\$2.108
Public Authority	\$4.662	\$3.171	\$4.336	\$2.107

	<i>Per 100 Cubic Feet</i>			
Residential	\$4.2486	NA	\$3.8126	\$2.2724
Commercial	\$3.7183	NA	NA	\$1.8401
Industrial	\$3.1625	NA	NA	\$1.5768
Public Authority	\$3.4872	NA	NA	\$1.5760

NOTE: Cubic foot rates are calculated based on the approved per gallon rate and used for those customers with cubic meters including some in Connecticut Water and Unionville Divisions.

Charges for Bradley Field accounts are 60% of CT Water approved rates & charges except Special Charges.

SEASONAL ACCOUNTS

BASIC SERVICE CHARGE:

Meter Size	Seasonal CT Water	Seasonal Masons Island
5/8"	\$89.28	\$177.63
3/4"	\$133.81	--
1"	\$223.09	\$414.26
1 1/2"	\$446.18	
2"	\$713.60	
3"	\$1339.20	
4"	\$2232.00	

COMMODITY CHARGE –

Charge – All Consumption	CT WATER Seasonal Accounts	MASONS ISLAND Seasonal Accounts
Per Thousand Gallons	\$11.670	\$11.62
Per 100 Cubic Feet	\$8.729	\$8.6918

FLAT RATE SEASONAL ACCOUNTS

SOUNDVIEW, POINT OF WOODS, WHITE SANDS BEACH

Unit Type	Rate Per Season
Single	\$335
Duplex	\$770
Triplex	\$1005
Quadplex	\$1340
Commercial	\$502

FIRE PROTECTION CHARGES

PRIVATE FIRE CONNECTIONS:

	CT WATER	GALLUP	UNIONVILLE	CRYSTAL
Connection Size	Quarterly Rate per connection	Quarterly Rate per connection	Quarterly Rate per connection	Quarterly Rate per connection
2" service connection	\$32.41	\$101.64	---	\$161.85
3" service connection	\$73.08	\$101.64	---	\$161.85
4" service connection	\$101.64	\$101.64	\$101.64	\$161.85
6" service connection	\$238.57	\$238.57	\$238.57	\$367.85
8" service connection	\$421.66	\$421.66	\$421.66	\$654.76
10" service connection	\$650.90	--	\$650.90	\$1022.60
12" service connection	\$926.30	--	\$926.30	\$1471.36

*NOTE: Private Fire Connections at Bradley Field charges 60% of CT Water rate.

FIRE PROTECTION CHARGES

<u>Hydrant Charge</u>	\$45.82 per quarter	\$15.273333 per month
Hydrant Charge - Bradley Field	\$27.49 per quarter	\$ 9.163333 per month

Linear Foot Charge

SYSTEM	RATE PER MONTH PER LINEAR FOOT
Connecticut Water Unionville Brooklyn Thompson	\$0.07737
Gallup -- except Central Village, Moosup, & Wauregan in Plainfield	\$0.07737
Plainfield -- Central Village, Moosup, & Wauregan	\$0.03135
Killingly -- Except the Borough of Danielson	\$0.03882
Borough of Danielson	\$0.15789
Bradley Field	\$0.04642
Private Rights of Way	\$0.06189

SOUTH COVENTRY

METER SERVICE CHARGES

Meter Size	Quarterly Charge	Monthly Charge	Daily Rate
All Meters	\$26.56	\$8.85	\$0.291068

COMMODITY CHARGE

CUSTOMER CLASS	QUARTERLY ACCOUNTS Per 100 Cubic Feet	MONTHLY ACCOUNTS Per 100 Cubic Feet
Residential – All Consumption	\$5.4767	\$5.4767
Commercial/Industrial First 10,000 cubic feet Excess of 10,000 cubic feet	\$5.4767 \$3.3173	---
Commercial/Industrial First 3,333 cubic feet Excess of 3,333 cubic feet	---	\$5.4767 \$3.3173

MISCELLANEOUS SERVICE CHARGES

Bad Check Charge	\$10.00
Termination Charge	\$40.00
Reconnection Charge	\$40.00

LATE PAYMENT CHARGE:

The greater of \$2.00 or 1.25% per month on the outstanding balance for monthly accounts unpaid 34 days from the date of mailing, or quarterly accounts unpaid 64 days from the date of mailing.

MIDDLEBURY

METER SERVICE CHARGES

Meter Size	Quarterly Charge	Daily Rate
5/8"	\$11.29	\$0.123726
3/4"	\$16.93	\$0.185534
1"	\$39.51	\$0.432986
1 1/2"	\$129.83	\$1.422794
2"	\$169.35	\$1.855890
3"	\$338.70	\$3.711780
4"	\$564.49	\$6.186191
6"	\$1128.97	\$12.372273
8"	\$1806.40	\$19.796164
10"	\$2596.70	\$28.456986
12"	\$3274.10	\$35.880547

COMMODITY CHARGE

CUSTOMER CLASS	RATE PER THOUSAND GALLONS
ALL --	
First 50,000 gallons	\$4.290
Over 50,000 gallons	\$5.645

MIDDLEBURY TERRACE WELL SYSTEM USERS – FLAT RATE

All quantities used \$106.00 per residence

FIRE PROTECTION CHARGES

Hydrant Charge \$45.82 per hydrant per quarter \$15.273333 per month
Linear Foot Charge \$0.07737 per linear foot per month

LATE PAYMENT CHARGE:

1.5% for monthly accounts and 4.5% for quarterly accounts past due.

SPECIAL CHARGES

For All Divisions Except South Coventry

SERVICE TURN ON /OFF & METER CHARGES	
Turn off - normal hours	\$40
Turn on-Normal hours	\$40
Turn off- After hours	\$60
Turn on- After hours	\$60
Turn on - Large Meter > 2" - Normal hours	\$40
Turn on Large Meter > 2" - After hours	\$60
Turn on service @ curb-Normal hours	\$40
Turn on service @ curb- After hours	\$60
Seasonal Service Activation - Turn On	\$20
Frozen Meter Charge	\$50
Frozen Meter - After hours	\$75

MISCELLANEOUS FEES & CHARGES	
Bulk Water Account Activation	\$50
Bulk Water Commodity Charge	Commercial Meter Rate
Unauthorized Hydrant Use	\$200
Unauthorized Water Use	\$200
Curb Box Repairs - Equipment Required	\$300
Curb Box Repairs - Hand Dug	\$100
Cross Connection Notice Fee	\$40

COLLECTION FEES	
Returned Check Fee	\$30
Late Payment Fee	1.5% per month*

***Calculation of Interest Charges:**

The interest charges are applied at the time of billing and are applied to **past due amounts only**. Monthly customers would have a one month interest charge applied at the time of billing and a quarterly customer would have a 3 month interest charge applied at the time of billing (3 times the monthly interest rate).

SERVICE CONNECTION FEES AND RATES

TYPE OF SERVICE	Diameter of Service Connection			
	1"	1.5"	2"	4"
Services Installed Under RCSA 16-11-62 (1)	\$78	\$78	\$88	\$120
Services Installed Under RCSA 16-11-61	\$361	\$650	**	**

(1) Excavation, backfill, traffic control, rock removal, temporary and permanent paving and permits are the responsibility of the customer.

** Services 2" and above on developer main extensions will continue to be adjusted to actual.

EXHIBIT E

THE CONNECTICUT WATER COMPANY

Comparison of Current Quarterly Rates

Effective per Dockets 90-06-24, 88-04-27 and 93-09-16
 Rates to be effective September 30, 1997

	<u>Thousands of Gallons</u>	<u>Hundreds of Cubic Feet</u>
Docket Decision Date:	9/24/97	9/24/97
Residential Rate Service Fee 5/8" meter	\$ 20.05	\$ 20.05
Representative Bills at Certain Consumption Levels:		
5,000 gals. (700 cu. ft.)	\$40.69	\$41.93
13,500 gals. (1,800 cu. ft.)	84.81	84.66
18,000 gals. (2,400 cu. ft.)	108.17	107.96
30,000 gals. (4,000 cu. ft.)	164.56	170.11
75,000 gals. (10,000 cu. ft.)	344.96	367.31
750,000 gals. (100,000 cu. ft.)	2,600.14	2,837.96

APPENDIX G

WATER CONSERVATION PLAN

**THE CONNECTICUT WATER COMPANY
WATER CONSERVATION PLAN**

NORTHERN REGION

THE CONNECTICUT WATER COMPANY
WATER CONSERVATION PLAN

NORTHERN REGION

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
Introduction	i
I. DEMAND MANAGEMENT	
1. Goals and Objectives	I-1
2. Analysis of Present and Future Water Demands	I-2
3. Water Use Audits	I-4
4. Assistance to Large Water Users	I-5
5. Retrofit Programs	I-7
6. Water Rates/Pricing	I-9
7. Controlling Growth in Water Consumption	I-10
8. Public Education	I-11
II. SUPPLY MANAGEMENT	
1. Meter Management	II-1
2. Annual Water System Evaluation	II-4
3. Leak Detection and Repair	II-6
4. Pressure Reduction	II-10
III. WATER SYSTEM FACT SHEETS	
IV. APPENDIX A Residential Retrofit Program Consumption Evaluation Summary	
V. APPENDIX B Public Information Materials	

THE CONNECTICUT WATER COMPANY WATER CONSERVATION PLAN

NORTHERN REGION

INTRODUCTION

The Connecticut Water Company relies on the waters of the state as sources of public drinking water supply. The Company is entrusted with maintaining an adequate supply of high quality drinking water to meet the immediate and future demands of its service area. The Company recognizes that locating and developing additional sources of supply is becoming increasingly difficult and, consequently, is vitally concerned with protecting and conserving its existing drinking water supplies. The Company has developed a comprehensive, multi-faceted water conservation plan to respond to each of these concerns.

The Company maintains an adequate margin of dependable yield of source water above current demand. This margin is maintained through protection of existing supplies, acquisition of new supplies, improvements to and maintenance of the distribution system to hold leakage to a minimum, and promotion of the wise use of water through consumer education. The amount of water available is regularly compared to the current and projected water demands for each of the Company's systems. New sources and system improvements are scheduled as needed, based upon these comparisons.

Legislative initiatives in Connecticut have again emphasized the importance of water conservation in the State. Section 22a-380 of the CGS established water conservation as a state policy to be considered as a priority in all decisions and to be promoted through technology, methods and procedures to provide for more efficient use of water and to eliminate the waste of water. Section 25-32h of the CGS requires public water supply companies to have a residential retrofit program as approved by the Commissioner of Health. Section 21a-86 of the CGS established minimum efficiency standards for plumbing fixtures sold or installed in Connecticut, thereby requiring the installation of fixtures that provide for water conservation. Section 25-32h of the CGS was amended to include a requirement that water utilities continue with the residential retrofit program by providing educational materials and information on water conservation to their customers. The Company recognizes the significance of these state initiatives and is working to promote these goals within our service areas.

The Company long range conservation plan incorporates both demand and supply management measures. Demand management measures are intended to increase the efficiency of water consumption by consumers. This can be done through various programs to educate the consumers about the value of the water resource and the need for conservation. Supply management measures are employed by the utility to conserve water in the system operation and maintenance.

Before a new source of water supply is developed as a means to meet projected demand, all reasonable, cost-effective conservation measures will be implemented to defer or possibly prevent the new source development. This document provides a detailed description of the various elements of the Company's Water conservation plan and the goals and objectives of each.

I. DEMAND MANAGEMENT NORTHERN REGION

1. GOALS AND OBJECTIVES

The purpose of demand management component of the Company's water conservation plan is to promote the wise use of a limited resource and thereby defer, to the extent possible, the need for additional water supply facilities. The Company does this through participation in state-wide water use reduction programs, as approved by the appropriate regulatory authorities, by encouraging large water users to conserve through water use audits, by communicating concerns directly to its customers on practical ways to avoid waste, and by conducting educational programs throughout the community.

The goals and objectives of the demand management efforts are:

- Provide public education program directed at 100% of our customers to provide a strong consumer based conservation ethic. Specific information to encourage water saving measures by all customers to be distributed.
- Make water use audits available to large water users. The program is directed at the top users company wide and specifically those systems that have demand issues. In CWC systems with no significant large users or little non-residential demand, water use audits will be limited and the conservation measures will be directed primarily at the residential sector.
- Distribute water use retrofit kits and water conservation information to reach 100% of residential consumers. Support the implementation of state mandated plumbing efficiency standards which require more efficient fixtures through customers' replacement. Work with customers to promote more efficient water usage including efforts to eliminate loss through leaks at the consumers' premises.
- Offer assistance to all large water users including distribution of educational materials and participation in water audits, as requested. The Company will advise all non-residential customers of the availability of water use audits information and technical assistance. Printed materials to promote self audits will be developed and distributed and CWC staff will assist customers in the process as necessary.

Efforts are made to work with town and state officials, boards, and community leaders to establish the appropriate mechanisms for preservation of the quality and quantity of drinking water supplies. Input is provided to municipal officials regarding the availability of public water supply and potential impacts on water quality from specific development proposals or land use plans. The Company strives to reduce the need for additional sources, minimize competition for resources, and hold down consumer costs by

stabilizing water use as much as possible to avoid excess construction of sources or facilities.

Where appropriate, large water users in industry and agriculture are urged to find safe ways to recycle water, to use water more effectively, and to reduce unnecessary use of water. Our Company-wide program for Assistance to Large Water Users is explained further in Section 4.

The Company has implemented the Residential Retrofit program in 1991, pursuant to Section 25-32h of the CGS, and distributed free kits to residential customers throughout its service areas. The aggressive implementation of our residential retrofit program has resulted in delivery of conservation kits to 100% of our single family residential customers during 1991. Continued public education efforts by the Company and the implementation of the new plumbing efficiency standards will further promote residential conservation.

As described in Section 2, the results from the Residential Retrofit Program indicate there has been a 4% reduction in residential consumption company-wide, since the distribution of water conservation kits.

2. ANALYSIS OF PRESENT AND FUTURE WATER DEMANDS

- a.) **Water Demands:** The Connecticut Water Company did a detailed analysis of present and projected water demands for all our Water Supply Plans prepared pursuant to Section 25-32d of the CGS. Graphs were developed which plot projected demands, both average and maximum day, against time. These graphs were developed using historic production data. These graphs are shown in Chapter 5 of the Water Supply Plan.

While these graphs do not specifically identify a reduction associated with conservation, the projected demands are based on five year average data (2001-2005) which reflect the effects of CWC's residential conservation program. The graphs allow for increased in the number of customers but kept the per capita demand constant. The projections also assume an ongoing reduction in the percentage of non-revenue water over time. It can be seen from the graphs that the Northern Region has sufficient water supply to meet the demands through 2050 with improvements as discussed in Chapter 5.

- b.) **Existing Program Initiatives:** The Company's demand management measures had, for years, been limited primarily to 100% metering and short term curtailment during hot and/or dry periods when customers were asked to voluntarily conserve. Public education efforts and media coverage were directed to promote voluntary conservation during particular critical periods. These initiatives were generally limited to a short time within the meter reading and billing cycle so it was difficult to quantitatively assess the results. Customers did, however, appear to cooperate and respond positively during these times if they perceived a problem existed.

Dependence on voluntary customer habit changes is obviously not a reliable means to achieve consistent demand reductions. This method, therefore, should only be used, as necessary, during critical periods. Other demand management measures, such as consumer education, water conservation fixtures and equipment, assistance to large water users, and water rates/pricing are more effective for long term conservation programs. The Company continues to conduct ongoing public information and education efforts to promote water conservation.

The Company has prepared an analysis of the changes in residential consumption as a result of the distribution of water conservation kits. Company-wide demand reductions in excess of 8% were observed for single family customers who installed kits and an overall demand reduction of over 4% was identified among all residential customers. Surveys indicated approximately 49% penetration rate for customers through 1992. Knowing that kits were delivered to 100% of our customers, coupled with the fact that consumers can now only purchase efficient plumbing fixtures, we expect to continue to see slight increases in the penetration rate each year (a 2% increase was observed between 1991 and 1992) and corresponding reductions in the per capita residential demand.

- c.) **Specific Impacts Expected:** The projected demands used in the 2006 Water Supply Plan revision have considered some of the impacts expected from both supply and demand management practices. The projected residential demands consider the impacts of our Residential Retrofit Program, the plumbing efficiency standards, public education efforts, and the growing conservation ethic. For the past several years, residential demand in the Western, Reservoir Heights, Crescent Lake, Lakewood/Lakeview and Llynwood systems has slightly decreased. Residential demand in the Stafford, Somers and Nathan Hale systems has remained relatively constant over the past several years. For the past several years, commercial demand in the Western, Somers and Stafford systems has increased. For the past several years, industrial demand in the Western and Stafford systems has also increased. The effects of our supply management measures, and particularly our reduction in non-revenue water, are considered in the demand projections.

As discussed above, we estimate there has been over a 4% reduction in residential demand since the distribution of the water conservation kits. A full report of the Residential Retrofit Program Consumption Evaluation is included in Appendix A of this plan. It is anticipated that there will continue to be savings in residential demand as consumers install additional components from the retrofit kit or replace fixtures and devices with components in compliance with the new plumbing efficiency standards.

The ongoing effects of water conservation were considered in the demand management projections developed in Chapter 4 of the Water Supply Plan. The residential demand projections considered the expected increase in population served but kept the per capita demand the same to reflect the impacts of the Residential Retrofit Program.

Quantitative estimates of the anticipated impacts of conservation measures in the non-residential sector have not yet been developed because of the limited knowledge or data in this area specific to our customers. System specific impacts will be realized based on the relative number and type of non-residential accounts. Like the residential projections, the non-residential demand projections used in the Supply Plans considered an increase in the number of non-residential customers served but kept the per capita rate constant.

The projected demands used in the Water Supply Plan revisions considered the impacts expected from our supply management efforts by adjusting the non-revenue water projections to be consistent with our long term goal of 1500 gallons per day per mile of main (gpd per mile). Additional savings from other programs or other factors will be considered in future plans as their impact is evidenced over time.

3. WATER-USE AUDITS

- a.) **Identify Large Use Customers:** The large water users have been identified on the attached System Fact Sheet. This list includes the top 10 users in each system or any customer that exceeds 5% of the system demand. Note, because of customer confidentiality considerations, the published list does not include actual customer accounts or names. This information can easily be accessed internally to contact the individual customers as necessary. A company-wide list of the top 25 billings is developed and reviewed internally on a quarterly basis. This information is used to develop the System Fact Sheets.

- b.) **Water Use Audits:** The Company offered free water use audits to 17 large use customers in several of its Regions in 2004. In the Western System, three industrial and one commercial customer were offered audits. Of these, two industrial and the one commercial customer requested audits. In the Somers System, one residential and one commercial customer were offered audits with the commercial customer requesting an audit. The audit, which was conducted by a consultant, consisted of an evaluation of the facility to identify specific areas to improve efficiency or reduction of usage. The audit included a review of billing information, relevant process information, assessment of all internal and external quality assurance/control practices, and means of reducing peak demand. A report was prepared for the customer that identified applicable efficiency measures and opportunities to improve efficiency and reduce usage and the associated pay back periods. A follow-up telephone call was made to the company to discuss the findings and to determine if the company intended to implement any of the recommendations. The customer will have to determine, in consultation with their engineering staff or advisors, what would be appropriate and cost effective to implement at their facility. Information on water rates and other reference material was provided to assist in this decision.

While the Company directed its resources for water audits to the large use customers in each system, the Company will provide educational materials and technical assistance to small volume customers upon request including case studies and worksheets for audits of specific types of facilities or industries. The Company will assist customers with these audits if requested. The Company will make water conservation retrofit kits or components available upon request to the customers for free, as long as supplies last.

Though recent trends have shown a decrease in demand in our non-residential sector company-wide, we continue to work with customers to identify appropriate conservation measures to reduce demand at their facilities. Since this is a new initiative for the Company and the potential savings vary depending on the facility and its pre-audit consumption, it is difficult to assign a specific goal in this sector.

Leak detection- The Company routinely notifies customer if their consumption has increased significantly since the same billing period in the previous year. Once these customers are notified, the customer service staff visits the premises to check for leaks in faucets or toilets or high demand uses such as hoses, irrigation systems or water dependent processes. These investigations are conducted to determine if there is a problem or practice at the customer's premise which accounts for increased consumption or if there is a leak in the service line. If leaks are identified on the customer's side of the service line, the customer will be advised and required to make the necessary repairs. Our leak detection staff will use our electronic leak detection equipment to locate leaks in service lines for the customers if necessary to facilitate repair.

The Company does not conduct comprehensive electronic leak detection surveys in the smaller facilities but does suggest available equipment or contractor services if appropriate. The Company does provide leak detection services to customers in response to high bill complaints or inquiries.

4. ASSISTANCE TO LARGE WATER USERS

The Company provides assistance to large water users through water use audits, as described above and through staff audits. A number of water conservation references and water audit guides will be used in conjunction with the Company's conservation program. The series of DEP water conservation publications provide an excellent set of references to plan and perform the audits. These materials can be used as guides in advance of and during the water use audits. The following publications are available as reference material to facility operators conducting audits:

Conserving Water: A Guide for Residential Audits (CT DEP)
Conserving Water: A Guide for Commercial Water Audits (CT DEP)
Conserving Water: A Guide for Industrial Water Audits (CT DEP)
Conserving Water: A Guide for Institutional Water Audits (CT DEP)

Conserving Water: Plan On It (CT DPH)
Water Audit and Leak Detection Guidebook (CA Dept. of Water Resources)
Water Conservation (AWWA - William O. Maddaus)
Xeriscape Program for Water Utilities (AWWA - Ken Ball)
*Business & Industry Water Use - A Self-Conducted Water Audit for
 Large and Small Businesses (Mesa Consolidated Water District
 California Department of Water Resources - The Resources Agency, Metropolitan
 Water District of Southern California -- Series of Industrial Water
 Conservation References (for Electroplating, Industrial Laundries, Textile
 Manufacturers and Dyers, Paper and Packaging Manufacturers, and
 Beverage Bottlers and Brewers)*
*Proceedings of CONSERV 90, The National Conference and Exposition Offering
 Water Supply Solutions for the 1990s (August 1990) - AWWA Conference
 Proceedings*

A full list of references as prepared by DEP Natural Resources Center will be provided upon request to customers, civic or trade organizations and local officials interested in water conservation measures. These materials, as well as audit experiences of CWC staff will provide the basis for our program to assist large water users.

- a.) **Recycling and Reuse of Process Waters:** Industrial and commercial recycling and reuse of process waters will be suggested during water use audits, as appropriate. Any decisions to change these processes would have to be made by the customer in consultation with his engineering staff or advisors.
- b.) **Reducing Internal Leakage:** Facility managers will be advised regarding the potential benefits of reducing internal leakage and implementing preventive maintenance to reduce water waste.
- c.) **Additional Technical Assistance:** While the Company has directed its resources for water use audits to the large use customers in each system, we will provide educational materials and technical assistance to other customers upon request. As discussed above, the Company plans to develop and distribute materials to simplify the self-audit process to encourage customers to investigate their water use practices themselves. CWC staff will assist customers with these audits if requested. The Company will make water conservation retrofit kits or components available upon request to the customers for free, as long as supplies last.

Measures to improve overall efficiency and to minimize use: The Company provides materials and assistance, as requested, to customers who want to do self audits in the simpler areas such as means to reduce sanitary and domestic uses and ways to reduce outside water use including lawn sprinkling devices and practices. We will provide customers with water saving aerators and toilet devices, as available. We will offer to test the meters at the large facilities if they are not already scheduled for a periodic test soon in accordance with the DPUC regulations.

Findings of the audits: for those audits where CWC staff assisted the customer, the Company will provide a brief summary of the findings and provide general information regarding the estimated amount of water likely to be saved and the associated costs of that amount of water. We will provide appropriate reference materials and case studies specific to the particular industry or processes, if available, to help the customer evaluate the potential savings from implementing recommended conservation measures. The customers will have to determine, in consultation with their engineering staff or advisors, what is appropriate and economically feasible for their facility.

5. RETROFIT PROGRAMS

- a.) **Residential Retrofit Program:** the Company did implement a residential retrofit program in accordance with Section 25-32h of the CGS. The program was directed at all of our residential customers to promote widespread use of water saving devices. The devices included in the retrofit kit are relatively inexpensive, easily installed and do not require significant changes in consumer habits.
- b.) **Program Description:** The Residential Retrofit Program, for kit components and distribution, was based on the Guidelines prepared by the Residential Water Saving Advisory Board (RWSAB). These guidelines established different methods and schedules for delivery based on the supply status of the utility.

Some Company systems were considered to have a deficit of supply or need a new supply within five years so the program for the whole company was developed based on the method and schedule required for systems that were considered priority by the Guidelines. It was felt to be more appropriate to have the distribution program consistent throughout the Company than to distinguish by individual systems within the Company. A company-wide program allowed all customers to be treated equally and simultaneously be offered the benefits of conservation. Company-wide public education efforts were more effective in promoting a consumer oriented conservation ethic. Delivering a consistent, company-wide educational message gave the program more credibility. A company-wide program also resulted in more efficient, cost-effective means of handling the purchasing, distribution and administrative aspects of the program.

The Company Residential Retrofit program included the following elements:

- **Delivery Method:** CWC provided door-to-door delivery of the first free kit to all single family residential customers. Temporary delivery help was hired to go with the Company meter readers on meter reading routes and deliver the conservation kits. At the time of the initial delivery, records were kept which indicated where kits were delivered and noted any multi-family accounts. In addition to the door-to-door delivery, the three regional offices served as depots with kits available for customer pick-up. Multi-family accounts identified during the initial delivery were sent letters

advising them of the program and the availability of the free kits. They were offered up to 2 free kits per residential unit at the address. In 2003, notification was provided to customers through a bill insert advising them of the availability of free conservation kits.

Single family residential accounts were also advised in the notification letter and on the survey and other printed materials that they could receive a second kit upon request. These kits were delivered or mailed by CWC or picked up by the customer at one of the regional offices.

- **Installation Assistance:** Installation information and assistance was offered to all customers to encourage self installation. Installation instructions were included in the kit and additional information was provided in the Connecticut Water Conservation Handbook which was mailed to all customers with their 30 day installation reminder notice.

An 800 number for conservation assistance was provided and published in all the program mailings and printed materials. Customer service staff were available at this number to trouble-shoot questions and aid customers with installation problems. If customers still needed installation assistance after speaking with our customer service staff, direct installation service was available to the customer free of charge. The actual number of requests for installation service was very limited (<100 company-wide) and appeared to be mostly elderly or handicapped customers who were unable to install the components themselves.

- **Public Information:** An extensive public information program explaining the Company kit distribution program and promoting the installation of the kit was conducted. This was done through direct mailings to the customers, bill messages and inserts, and a media campaign with news articles and advertisements. Company staff promoted conservation in educational programs at schools and civic organizations. The Company participated in the Connecticut Section AWWA Education Committee public information campaign.

- **Schedule:** The door-to-door distribution program was conducted in an intensive effort which was initiated in January 1991 and completed within that 3 month meter reading cycle. Conservation kits are currently made available to any new accounts when the meter is first installed.

- **Follow-up:** As previously required by Section 25-32h, annual notification of the availability of the kits was provided to our customers. The annual notice was published in a bill insert. Section 25-32h was amended and shifted the requirements from annual notification of kit availability to an annual offering of educational materials and information on water conservation to consumers. The Company's public information program described in Section 8 of this plan will satisfy the customer education requirements of Section 25-32k.

The Company continues to provide information and assistance to residential customers to try to reduce waste from leakage. When investigating high bill complaints or inquiries, the Company tries to determine if the customer has installed their water conservation kit. Customer service staff, while investigating high bills, will check for leaks in toilets or faucets or for high demand uses such as hoses or irrigation systems. Customers will be encouraged to install water conservation devices and repair leaks to conserve.

The Company will provide additional follow-up by participating in appropriate educational programs on water conservation developed by the Connecticut Section of AWWA. The Company will continue to provide information on water conservation at least once each year in customers bill inserts, handouts, and other Company publications.

- c.) **Additional Water Conserving Appliances and Fixtures:** While it is not part of the utility residential retrofit program, the Company has compiled information and materials on additional efficient and water conserving appliances and fixtures. We will encourage customers to consider these more efficient models for their future purchases when we receive inquiries. Notice of the availability of this information will be included in Company publications, bill messages or inserts and programs on conservation as appropriate. We will seek to have information on this incorporated in any home audit materials prepared by the Connecticut Section.

The passage of the plumbing efficiency standards in Section 21a-86 now requires that plumbing fixtures sold or installed in Connecticut meet certain water conservation standards. Similar legislation at the national level will support the water conservation efforts in the state. Market availability will dictate that consumers purchase and install the more efficient plumbing fixtures. As consumers gradually repair and replace fixtures in their home, these more efficient fixtures will become the standard. The Company has followed and opposed (both directly and through CWWA) subsequent initiatives to repeal the plumbing efficiency standards since a repeal of the plumbing standards would seriously undermine the most effective means available to promote widespread conservation.

- d.) **Retrofit of Non-Residential Users:** Water use in many of the smaller businesses may be limited largely to sanitary and domestic uses. For these places, the water conservation measures promoted for our residential sector would be appropriate. The Company will encourage customers to install devices to reduce flows in toilets and faucets and to eliminate leaks. The Company will make water conservation retrofit kits or components available to these customers upon request, as long as supplies last.

6. WATER RATES/PRICING

- a.) **Present Rate Structure:** The present rate structure and the price level of water sold is depicted on the attached rate schedule.

- b.) **Rate Structure Alternatives:** The Company completed an extensive cost of service analysis. Rate structure alternatives to promote water conservation were thoroughly investigated in conjunction with our most recent DPUC rate case application. As a result of our studies and the decision of the DPUC in Docket No. 90-06-24 the Company's rates were developed in accordance with the attached schedule.

The current rates are based on cost of service and a special rate design with no minimum water allowance. There is a basic service charge and one increasing step block and two declining blocks of commodity charges. These commodity charges, vary from the traditional cost allocation studies and are the first step to encourage and promote water conservation without penalizing our lowest usage customers with the highest block rate. Eliminating the minimum water use allowances and establishing increasing block rate for most residential consumption, encourages the conservation ethic.

7. CONTROLLING GROWTH IN CONSUMPTION

- a.) **Controlling Increases in Water Consumption:** Supplies are generally not limited nor does a deficit exist in the Northern Region that would necessitate efforts by the Company to try to control growth in water consumption. To identify demand issues and future system needs, the Company has an ongoing program internally to evaluate consumption by customer class on a quarterly and annual basis. Through this analysis we have identified continuing trends of reduced per capita consumption in both the residential and non-residential sector. We do not expect any significant growth in consumption, except as a result of additional developments in particular communities. In those communities where we anticipate additional development, the Company works with the local officials and the developer regarding the adequacy of supply and any system improvements necessary to accommodate the development. We work with applicants in the design of necessary system improvements and we try to ensure that facilities are sized to accommodate future growth if there are other proposed or potential developments in the area.

We also provide information to the commissions about potential water quality impacts from any proposals in our watershed or aquifer areas. We recommend revisions to plans, as necessary, to address source protection concerns and oppose developments if we feel they will adversely impact the water quality of our supply. We provide input to towns on water resource issues as they develop their plans of development and we review sections related to source protection, projected development areas, and extension of utilities (water and sewer). Relevant information from the Company's Water Supply Plan and the Coordinated Plan of the Water Utility Coordinating Committee is offered to the towns.

Through our long range water supply planning efforts, the Company has developed a plan for strategic improvements and supply augmentation to ensure adequate water supplies for the communities we serve. Because of these planning efforts we believe we can meet future demands for water, as requested, in the communities we serve. The location and timing of development will dictate the schedule for many of our system improvements. The Company works to meet the demand for water when and where it is required and to provide service to customers as requested.

8. PUBLIC EDUCATION

- a.) *Program Development:* The Company has an ongoing program of customer education with respect to the intelligent use of water. The Company believes it is important for all citizens to know where their drinking water comes from and how it is collected, stored, treated, and distributed. Informed citizens will then share an awareness that high quality water is not easily attained. They will better understand that potable water is a product of a continuing cooperative effort between the community, Company employees and customers alike.

The conservation ethic is promoted in nearly all of the Company's public education efforts. Programs with schools, business groups, local officials, and civic organizations are conducted to form a network for dispersing water supply and conservation information to the community. The Company is actively promoting our Speakers Bureau and is expanding our efforts in public relations through regular bill inserts, bill messages, press releases, and special publications.

The Company's Vice President of Administration and Government Affairs is responsible for a comprehensive public relations program for the Company. The Public Affairs Manager is instrumental in implementing many of the measures of the Company's public information and education programs. Questions on water conservation are included in the annual customer attitude survey conducted for the Company as a measure of the extent of customer awareness of conservation information or programs. The following components related to water conservation are included in our Company -wide public education program. Samples of public information materials or customer communications regarding water conservation have been included in Appendix B.

CWC Conservation Public Information Goals

MEASURE	SCHEDULE/FREQUENCY
<i>Bill stuffers</i>	-At least 1 bill stuffer per year regarding conservation;
<i>Displays</i>	-At least 2 events per year to include conservation, including participation / promotions in National Drinking Water Week events;
<i>Company Employees</i>	-At least 1 update per year for employees; -Additional announcements for new program measures; -Feature on water conservation in Company newsletter at least once per year;
<i>Film and Slide Shows</i>	- Developed video on water conservation in 1998;
<i>Flagging records</i>	-Continue ongoing program with each billing cycle;
<i>Landscaping Info</i>	-Provide landscaping/watering information at least once each year through bill inserts, press releases, newsletters, or other measures. Information available on Company website;
<i>Newspaper Coverage</i>	-Distribute at least 1 release per year dealing with water conservation;
<i>CWC Website</i>	-In 2003 website revised to include information on water conservation, including lawn watering, Xeriscape, leak detection and conservation tips; -In 2006 Water Calculator program available on website;

CWC Conservation Public Information Goals cont'd

MEASURE	SCHEDULE/FREQUENCY
<i>Pamphlets, handbooks</i>	<ul style="list-style-type: none"> -Continue feature on conservation in quarterly governmental newsletter <i>In Your Community</i>; -Include at least 1 article per year on water conservation in Company newsletter; -Include information on water conservation in mailing to all new customers; (2003 update of new customer brochure includes water conservation information)
<i>School programs</i>	<ul style="list-style-type: none"> -Promote school programs to towns yearly; -Schedule school programs as requested;
<i>Speakers</i>	<ul style="list-style-type: none"> - Continue to provide programs in response to requests for Speakers Bureau; -Offer speakers bureau talks to CWC staff during year;
<i>Customer Fact Sheets</i>	<ul style="list-style-type: none"> - Customer fact sheets developed for distribution in response to customer inquiries;
<i>Special Customer Mailings</i>	<ul style="list-style-type: none"> - Special notices sent by direct mail, as appropriate, regarding water conservation measures

A brief description of each of these initiatives is provided below:

- **Bill stuffers and announcements** on the customer message area of our bills are the most frequently used method to communicate to our customers. These methods reach the broadest audience at a relatively low cost. A bill stuffer was used in 2003 to promote water conservation and notice of availability of water conservation kits. A bill stuffer was also used in 2005 to promote water conservation. See Appendix B.

There is also an area on each bill for a message for up to five lines of text. This message can be customized to specific books or areas so can be used to promote water conservation programs for particular systems or for selected customer classes. This will be used when appropriate to promote water conservation issues.

The Company continues our program of bill inserts, first initiated in 1991. This is a relatively inexpensive means of communicating with all of our customers. The regular quarterly customer bill insert, *Dialogue*, has included a number of articles regarding conservation related issues --- water use in the home, how to locate and repair leaks, and outside water use tips.

Additional bill inserts on special topics can be included in addition to the regular issues of *Dialogue*. Though preprinted bill inserts on water conservation are available from AWWA, the Company developed customized inserts on water conservation or other topics of interest to our customers. Special bill inserts on lawn watering practices and other similar informational pieces were distributed to all customers and will continue to be distributed. An insert regarding frozen meters and service lines leaks was also developed. Conservation issues have already been featured in this format and will continue to be done on a regular basis each year hereafter.

A customer brochure "New Customers Guide to Water Service" was revised and is mailed directly to all our new customers. This brochure outlines some basic facts about the Company, rates and public water service including a section on water conservation.

In 2002, the Company participated in the Channel 8 SchoolNet program with fulfilled the source protection and water conservation requirements of Section 25-32k. To continue to fulfill the requirements of Section 25-32k, information on source protection and water conservation is now included in the Consumer Confidence Report that is distributed yearly to our customers. See Appendix B.

- **Displays at home shows, fairs, libraries and town halls** are part of the Company's public education program. An exhibit featuring the components of the Residential Retrofit Program water conservation kit was displayed at several town halls prior to the program implementation and used at various events. A display board showing the installation of the kit components (with a toilet, faucet and showerhead) has been brought to the fairs and other programs. Several posters depicting water use, estimated savings from conservation devices, and other water conservation facts and tips are available to display at fairs and programs. The Company has a 'toilet bank' for display as an attention getting gimmick for displays. This toilet, displayed with a sign indicating "Leaky Toilets Throw Water Down the Drain" draws individuals to the display which includes conservation related educational materials.

The Company will continue to participate / promote events in National Drinking Water Week. The Company has directed funds to purchase materials and handouts to maximize the attention at these events and to specifically promote water conservation.

- **Educational efforts directed at company employees** are provided through meetings, newsletters and announcements. Printed materials on the conservation

program and kits were available to employees. Articles on the program were featured in the Company newsletter. A manual outlining the residential retrofit program and the conservation kits, with questions and answers, was developed for our customer service representatives and is available for in-house training and information. The Customer Service Training Manual has been revised to incorporate information on water conservation. As various employees participate in school or fair programs additional information on the specifics of the conservation program is provided. Updates on the program and new developments in the non-residential sector will continue to be provided to staff and management on an ongoing basis.

- **Films and slide shows** are available from the Company for use at school programs or other talks. The focus has historically been on water quality and source protection issues but has expanded to include water conservation. Videos presented by AWWA such as "What Do You Know About H₂O?" are valuable public education tools available to CWC staff for programs. In 1998 the Company produced a video entitled "quality water... it's everybody's job!". This video explains about the importance of water conservation, source protection and provides information on water treatment. Appropriate films or videos continue to be added to our library. Since there are limited materials readily available, slide shows are generally customized by our in-house staff for particular topics. Our computer software now allows us to make colorful graphic slides for these presentations that can present customized information. Materials are often loaned to teachers in advance of a presentation or talk by the Company to encourage teachers to cover related materials in the curriculum in conjunction with the Company presentation.
- **Flagging of unusually high recorded uses** is done through our billing department as part of an ongoing program. Customers whose meter reading represents a significant increase in consumption over the same period for the previous year are identified, reviewed and sent a letter. They are advised to inspect the premises' plumbing and outside faucets for undetected leaks. Specific advice on how to detect leaks is provided. As discussed previously, the customer service staff will follow-up with a visit to these customers to try to identify the reason for the increased consumption. See Appendix B for a copy of this letter.

The Company's bill format includes consumption data for each account for the previous four billing periods for comparison. Customers can easily review their consumption history and can investigate and make adjustments themselves if they see a change in their water usage. This additional information increases the customer's awareness of their water usage and encourages them to identify and correct any unexplained increases.

- **Information on landscaping** and efficient lawn watering practices is provided in pamphlets and publications provided by the Company and is emphasized in talks by employees. This information is included bill inserts and the Company's newsletters and website.

Extensive information on outdoor water use is provided to customers. Guidance regarding the best timing and method for watering lawns and gardens, is provided. These watering practices help minimize evaporative losses, maximize the value of the watering effort and reduce peak demands on the water system.

Publicity regarding these outside water use practices is promoted each year through our bill inserts, displays at fairs, school programs and any media coverage we can generate on the topic.

- **Newspaper articles, radio and television coverage** are used to keep customers informed of activities and issues relating to their water supplies and water conservation measures. Notices of any necessary restrictions on water use during droughts or emergencies are generally conveyed this way. Releases regarding the residential retrofit program were provided. News releases are periodically issued on topics such as lawn watering practices and it is anticipated additional releases will be issued as the Company's conservation efforts expand into the non-residential sector.

In addition to the press releases and news articles, paid newspaper advertising was used to promote the Residential Retrofit Program. The Company is continuing to expand our efforts with the media and is working to develop contacts at each paper and build a relationship that will maximize the coverage of issues of concern to the Company such as water conservation. We look for opportunities such as advertising at Home and Garden Shows or in newspaper special feature sections to promote the outdoor water conservation information.

- **CWC's Website** was revised in 2003 to include information on leak detection, home conservation tips, Xeriscape, lawn/garden conservation measures and source protection measures. Links are also provided to Department of Public Health and CT Section AWWA websites for additional conservation information. In 2006, the Water Calculator was installed on website. This program allows customers to calculate potential water savings if water conservation devices are installed or from changes in water use habits.
- **Pamphlets, handbooks and newsletters** are used regularly to provide information to customers. Materials specifically for water conservation were obtained and distributed as part of the Residential Retrofit Program. The Connecticut Water Conservation Handbook was mailed directly to all residential customers with their 30 day installation reminder notice and continues to be widely distributed by the Company at fairs and school programs. Printed materials from AWWA such as *By the Dawn's Early Light*; *Be A Leak Seeker*; *25 Things You Can Do to Prevent Water Waste*; *5 Basic Ways to Conserve Water*; and *Water Conservation At Home* continue to be distributed regularly by CWC as part of our public education effort. The Company continues to develop and distribute customized brochures on water conservation topics.

The Company newsletter, *In Your Community*, is distributed quarterly to state and local officials, land use commissions, and fire officials representing the Company's service towns. The newsletter provides information on Company projects and programs. A section called "Conservation Tips" is an ongoing regular feature in the publication. Updates on program measures in the non-residential sector will be provided in the newsletter as appropriate.

- **School programs** are conducted by Company employees upon request. With the development and training of the Company's Speakers Bureau, school officials are being contacted in several communities to promote programs in the schools. These programs cover a range of topics depending on the age and interests of the students. The concept and goals of water conservation are promoted at every opportunity with these school groups.

A series of handouts, puzzles and worksheets for school age children explaining water supply issues and specifically conservation have been developed and distributed at these events. We plan to continue to evaluate and revise these materials, as necessary, to provide a comprehensive package of handouts/displays on conservation. Displays at school fairs and talks before classrooms or assembly groups will continue to be an integral part of our public information program. The Company has also developed customized age appropriate school materials for use in our service communities.

These educational efforts directed at school age children promote an awareness of water supply and conservation issues among the students and also provide a critical avenue of information to parents and teachers. These programs appear to be a very effective component of our educational efforts and will continue to be pursued by the Company. Direct notification to school staff is provided in the fall each year to advise them of the availability of the programs and encourage them to participate.

The Channel 8 SchoolNet program, which the Company participated in, was also used to educate students and teachers about water and weather through the Internet and school curriculum.

- **Speakers** for various topics are available from the Company, upon request, for various educational, professional or civic organizations. The Company has recently organized and trained a speakers bureau to provide this service to interested groups. The speakers incorporate information on water conservation at every opportunity with these talks. The Company is taking a pro-active approach to advise organizations of the availability of our Speakers Bureau.

- b.) **Program Implementation:** The Company has an extensive program of customer education with regard to water conservation. The program, as described above, addresses numerous aspects of water supply, and specifically water conservation. The program has expanded considerably in recent years to target a broader audience and to more aggressively promote the conservation element. Public

education efforts regarding water conservation were expanded considerably through our Residential Retrofit program and continue to be promoted. Our public information program is continually revised and expanded as new issues arise, new resources become available, or new groups request our participation. Questions on water conservation information and programs are included in the annual customer attitude survey conducted for the Company as a means to measure the effectiveness of our program measures and public information efforts. In recent years, the Company has more actively promoted our public education and customer information programs in the communities we serve. Water conservation is and will continue to be an integral part of our public education program for our customers.

As previously discussed, the Company's Vice President of Administration and Government Affairs is responsible for developing a comprehensive public relations program for the Company. The Manager of Public Affairs is instrumental in implementing many of the measures of the Company's public information and education programs. Measures regarding water conservation are reflected in the annual Public Information Plan. It is our goal to adequately fund and promote water conservation through the various mechanisms outlined above.

- c.) **Xeriscaping and Other Water Saving Gardening Techniques:** As described in Section (a) above, the Company provides information on landscaping and other water saving gardening techniques to our customers. The emphasis has been, and continues to be, primarily on outdoor watering practices for existing landscaped areas - identifying when it is necessary and describing the most efficient timing and techniques for watering. Issues of *Dialogue* have featured lawn watering information and the conservation tips in *In Your Community* focused on outside water use. Similar information will continue to be provided in bill inserts and news releases and in materials handed out to developers and new customers. A Xeriscape brochure is also available on the Company's website.

- d.) **Work with Local Officials to Enhance Water Conservation:** The Company is in a unique situation as a Connecticut water utility because we serve customers in 41 towns throughout the State with 13 of those towns within the Northern Region. Consequently, we deal with numerous local officials and organizations. Historically we have depended on cooperation from local officials to support water conservation measures during times of emergencies. There are currently no formal conservation ordinances in place in any of the Northern Region towns. The Company is willing to work with the CT Section Water Conservation Committee and the DPH to develop a model ordinance for adoption by the municipalities.

Our public affairs staff encourages local officials to adopt such an ordinance during periodic visits and meetings with local officials. Though it is difficult to garner support for such a measure in the absence of a pending shortage, it is important to have these measures in place before a crisis occurs. If necessary, we will seek the support of the industry and/or elected officials to require such ordinances be adopted at the local level.

- e.) **Proper Use of Hydrants:** There are several provisions in the Company Rules and Regulations regarding the use of fire hydrants. Fire departments desiring to use water from hydrants for testing equipment or any purpose other than extinguishing fires must notify the Company in advance of such usage. Persons who desire to use water from public hydrants for any purpose other than fire fighting must first obtain written permission from the Company. Individuals who use hydrants for purposes other than fire fighting are charged accordingly to discourage the unauthorized use of this 'free' water. Company personnel meet with local officials periodically to discuss issues of fire flows and hydrant use.

THE CONNECTICUT WATER COMPANY
93 West Main Street, Clinton, Connecticut 06413-1600

Rate Schedule for Water Service Billed After September 30, 1997, Authorized Under 1997 Reopener of
DPUC Docket 90-06-24 and Dockets 88-04-27 and 93-09-16, Decision Dated September 24, 1997

BASIC SERVICE CHARGE:

	<u>Monthly & Quarterly</u> (per day)	<u>Seasonal</u> (per season)
5/8" Meter	\$ 0.219726	
3/4" Meter	0.329644	\$ 124.10
1" Meter	0.549260	186.15
1 1/2" Meter	1.098411	310.25
2" Meter	1.757589	620.50
3" Meter	3.295342	992.80
4" Meter	5.492274	1,861.50
6" Meter	10.984658	3,102.50
8" Meter	17.575452	
10" Meter	25.264658	

COMMODITY CHARG Year Round Customers - Per Hundreds of Cubic Feet

	<u>Cubic Feet</u>			
	<u>Monthly</u>	<u>Quarterly</u>	<u>Monthly</u>	<u>Quarterly</u>
First	200	600	\$ 3.000	\$ 3.000
Next	2,800	8,400	3.884	3.884
Next	37,000	111,000	3.000	3.000
Over	40,000	120,000	2.499	2.499

COMMODITY CHARG Year Round Customers - Per Thousands of Gallons

	<u>Gallons</u>			
	<u>Monthly</u>	<u>Quarterly</u>	<u>Monthly</u>	<u>Quarterly</u>
First	1,500	4,500	\$ 4.009	\$ 4.009
Next	20,500	61,500	5.191	5.191
Next	278,000	834,000	4.009	4.009
Over	300,000	900,000	3.341	3.341

COMMODITY CHARG SEASONAL Customers

Per Hundreds of Cubic Feet	\$ 7.855
Per Thousands of Gallons	\$ 10.501

PRIVATE FIRE PROTECTION: QUARTERLY Rates

2" Service Connection	\$ 22.06 each
3" Service Connection	49.63 each
4" Service Connection	88.21 each
6" Service Connection	198.47 each
8" Service Connection	352.83 each
10" Service Connection	551.30 each
12" Service Connection	793.86 each

PUBLIC FIRE PROTECTION: MONTHLY Rates

Hydrant Charge	each	\$ 16.15 each
Inch-Foot Charge	inch-foot	\$ 0.007460 inch-foot

FLAT RATE CHARGES: (Until Metered)

Year-Round Residential	\$ 108.16 Qtrly.
Seasonal	\$ 302.61 Season

Surcharge - Docket 88-04-27 Only To former Sound View Water Customers 1997 and 1998 (only)	\$ 133.63 Season
---	------------------

THE CONNECTICUT WATER COMPANY
Docket No. 86-11-14

Special Charges - All Divisions
Effective June 9, 1987

TURN ON AND METER DELIVERY CHARGES:

To turn on water for service temporarily disconnected:

- \$11.00 - During regular working hours.
- \$53.00 - After regular working hours.

To turn on water and supply 5/8" to 1 1/2" meter for service temporarily disconnect

- \$11.00 - During regular working hours.
- \$58.00 - After regular working hours.

To turn on water and supply 2" meter for service temporarily disconnected:

- \$17.00 - During regular working hours.
- \$64.00 - After regular working hours.

FROZEN METER CHARGES:

Remove and install replacement meter, repair damaged meter:

- \$33.00 - During regular working hours.
- \$74.00 - After regular working hours.

MINIMUM CALL-OUT:

Charges for work performed outside regular company working hours are based on a three (3) hour minimum call-out.

FILLING OF TANKS, STANDPIPES AND TANK TRUCKS:

At regular metered rates, plus charges at cost for company labor and related expense.

II. SUPPLY MANAGEMENT NORTHERN REGION

1. METER MANAGEMENT

a.) SOURCE METERING

- 1) **Source Metering:** The Company currently meters all sources of supply. Production data is recorded for all wells, reservoirs and water obtained through interconnections. Individual wells within each well field are metered separately as required by the Public Health Code.
- 2) **Water Production Data:** Water production data for the sources in the Central system for the last five years is reported on the enclosed Water Production and Consumption forms.
- 3) **Extent of Source Metering:** As indicated above, the Company already meters all sources of supply. There are, therefore, no current plans to expand metering. The Company complies with the meter reading, testing, calibration, repair and replacement schedule established in Sections 16-11-50 through 16-11-90 of the Regulations of the DPUC. The Company was granted an extension of the time intervals between test years (for meters <1") in 1991 after demonstrating compliance with the testing program requirements and achieving specified standards for meter accuracy (*a copy of this approval letter is included at the end of this section*). Our current testing schedule for production and consumption meters is as follows:

<u>Size of Meter</u>	<u>Interval Between Test Years</u>
5/8", 3/4", 1"	14 years
1 -1/2", 2"	4 years
3"	3 years
4"	2 years
6' and larger	1 year

In addition to the periodic testing schedule described above, meters are also tested more frequently if deemed necessary by the Company. The results of the tests are reviewed and meters repaired or replaced as necessary.

b) **CONSUMER METERING**

- 1.) **Extent of Consumer Metering:** The Company currently meters all residential, commercial, industrial and public authority customers in the Northern Region with the exception of the public fire and private fire connections. In accordance with DPUC regulations, we require separate premises to be separately metered and billed. The DPUC definition of "premises" in Section 16-11-50(7) of the Regulations of Connecticut State Agencies is used to determine metering requirements. We encourage developers to meter the individual units with the premises and require, at a minimum, meters on each separate apartment building. or individually owned multi-unit complexes, such as condominiums, we can and do require individual meters for each unit. Meter reading is done on a quarterly basis for most customers and on a monthly basis for large consumers.

As described above, the Company complies with the meter reading, testing, calibration, repair and replacement schedule established in Section 16-11-50 through 16-11-90 of the Regulations of the DPUC. The program calls for scheduling periodic and routine testing and repair of meters based on the meter size. The schedule for the consumer meters is the same as that shown above for the production meters. In addition to the required periodic testing schedule, meters are also tested upon request of customers or when we believe a special test is warranted.

The responsibility for testing and reporting meter test results to DPUC for the entire Company is assigned to the Northern Region meter shop. Monthly reports are provided to ensure the correct number of meters are being tested to meet the annual requirements. This increases internal efficiency and ensure continued compliance with DPUC testing and reporting requirements.

In 2005, the Company found 99.3 percent of all the meters tested in our periodic meter testing program for the Northern Region were within the acceptable accuracy requirements set by the DPUC.

- 2.) **Plan for Additional Metering:** We do not anticipate expanding the extent of metering within this system because all residential, commercial and industrial accounts are already metered and it is simply not practical to meter accounts for fire customers. It is obviously impractical to attempt to meter every individual fire hydrant for the public fire accounts. Costs are prohibitively high in most cases to meter private fire service customers.

Further, because of the pressure loss across a water meter, it may be undesirable or unacceptable to the customers' fire insurance underwriters, to install meters on fire service lines.

In the past, the Company has required detector checks on unmetered fire services when there has been suspected leakage. The Company intends to require in the Company Rules and Regulations, subject to DPUC approval, to require detector checks on new fire lines to further reduce leakage and promote conservation.

- 3.) **Meter Sizing**: The Company has a uniform program for sizing customer's meters upon application for water service. Guidelines for sizing customers' service lines and meters are based on the AWWA standards.

Application information is used to estimate the customer's consumption. The estimate considers the number of fixtures and the anticipated pressure at the meter outlet. Specific information is obtained from non-residential customers regarding their domestic, sanitary, process waters and operations system demands. The flow and pressure estimates are used in conjunction with the manufacturer's specifications to determine the appropriate meter size.

The Company has a program to evaluate if meters are still correctly sized at selected customers whose demands may have changed since the meter was originally installed. The program involves the installation of a flow recorder which logs the actual flow over a selected period at the customers premises. If the data indicates the flows have changed since the meter was installed and the meter is not accurately recording all the flow through the meter, the customer will be advised and the meter will be changed to a more appropriate size. This effort may further reduce unaccounted for water since an oversized meter may not be accurately recording the low flows. The initial results of this program did not suggest that there was sufficient benefit to warrant a widespread effort, the equipment has proven to be very useful for assisting consumers in high bill investigations and locating leaks or other waste at their facilities.

- 4.) **Compliance with DPUC Regulations**: The Company is an investor-owned utility which operates in accordance with the metering regulations of the Department of Public Utility Control. The Company is in full compliance with these regulations with respect to the installation, testing, maintenance, calibration, replacement and repair of meters.

2. ANNUAL WATER SYSTEM EVALUATION

- a.) *Identifying Non-Revenue Water*: The Company is committed to an on-going search for sources of lost water and seeks realistic, cost-effective methods to reduce or eliminate these losses.

The program begins with an internal water use report that compares water production with metered consumption and accounted for non-metered water usage. The report is prepared on a quarterly basis for each system in the Company and evaluates non-revenue and lost water on a moving four quarter basis. The moving four quarter basis eliminates much of the inconsistency that is inherent when trying to compare production meter readings, which are done daily, and consumer's meters which are read quarterly throughout the year. This report quickly identifies systems with excessive lost water quantities and prioritizes our leak detection and repair efforts to the systems in most need.

It is through this internal water use report that priorities are set regarding where to direct leak detection efforts. Ongoing efforts in Northern Region has maintained the level of non-revenue water to below 15 percent in 2005, except for the Reservoir Heights System which was at 16% non-revenue water. The attached Annual Water System Evaluation Worksheets detail this historic information.

- b.) *Reducing Non-Revenue Water*: The Company continues our leak detection and repair efforts within these systems to ensure that the levels of non-revenue water are maintained as low as practical and lost water is maintained below 1500 gpd per mile of main. It should be noted that there is some percentage of non-revenue water which cannot be prevented. This percentage will be different for each water system and is highly dependent on system age, physical characteristics and the volume of water delivered to customers. Traditionally, water systems with less than 15% non-revenue water were considered reasonably tight. Even though the Northern Region is 100 percent metered, (excluding fire service connections), not every gallon of water produced is recorded as consumption on industrial, commercial, or residential meters. A large portion of this unmetered or non-revenue water is used for other completely legitimate, indeed necessary purposes, and it would be incorrect to call the entire quantity of non-revenue water lost water.

It is impractical, if not impossible, to meter all water used for fire protection, town sweepers, flushing, bleeders, quickly repaired leaks, and other similar uses. The Company compiles monthly estimates of these unmetered

usages and attempts to reduce this unmetered usage as much as possible but realizes the complete elimination is impossible.

The Company has a mixture of mains, varying in age and material that requires the dedication of a continuous water use audit and leak survey effort to maintain lost water at a minimum practical level. The Company is committed to this continuous program and has established a long term goal of reducing leakage to less than 1500 gpd per mile of water main in service. The actual leakage rate during 2005 for the Western System, Stafford System, Somers System, Crescent Lake System, Lakview/Lakewood System, LLynwood System and Nathan Hale System, and Reservoir Heights System were 1,406 gpd, 4,137 gpd, 741 gpd, 1,492 gpd, 1,104 gpd, -507 gpd, -945 gpd 316 gpd, respectfully. The Stafford System will need to be surveyed over the next three years to improve upon our goal of less that 1500 gpd per mile of main lost water.

The design of new facilities and renovation of existing facilities include all reasonable reuse of water and strive for attainment of minimal discharge. The Company provides engineering review and inspection of all new distribution system facilities and insists on pressure and leakage testing of all new pipes to ensure that new facilities will not be the source of leaks and non-revenue water.

3. LEAK DETECTION AND REPAIR

a.) **Program Description:** In conjunction with the water system evaluations, the Company conducts a continuous program for the detection and elimination of leaks from its water transmission and distribution lines. This program is described in detail in the following section. All leaks are repaired as soon as possible after they are discovered, and as a result, lost water is held to a minimum.

1.) **Method for Leak Detection:** As discussed above, the Company conducts a continuous program for the detection of leaks from the water transmission and distribution lines. Staff are specifically trained and assigned to this leak detection program. The Company has one full time crew dedicated entirely to leak surveying and receives additional support from regional personnel, as necessary, to conduct leak surveys throughout the Company. This staff conducts surveys on a three to five year cycle.

The program employs leak detection technicians and a utility person who systematically perform a comprehensive survey that includes checking existing information and providing new measurements for mapping maintenance; hydrant and valve box nut cleaning and operation; and a comprehensive listening survey of all exposed fittings in the distribution system, including customer curb stops when required. Both manned acoustic microphone amplifier systems and unmanned wet contact hydrophones are used to listen for leak sounds. A computerized time transit distance correlator is then utilized, in conjunction with the survey microphones or hydrophones, to pinpoint the suspected leak.

The leak survey teams use state of the art electronic leak detection/location equipment, including a computerized leak transit time correlator that can, under ideal conditions, pinpoint a leak of less than 1 gpm over a span of several hundred feet of water main. The equipment now used by the Company was purchased from Fluid Conversion Systems of Austin, Texas and consists of one #C-2001 correlator, two #MP-90 amplifier systems with microphones of various acoustic properties, and five #AQ-50 unmanned sound profile data loggers which were recently added to increase the productivity of the survey crew. All leaks are repaired as soon as possible after they are discovered, and as a result, lost water is held to a minimum.

2.) **Survey Results:** The Company's leak detection and survey program began in January 1989 and continues to expand in scope and expertise.

We continually evaluate the results of the Company water system audits to assign priorities for scheduling leak survey efforts toward systems with higher leakage rates on the basis of gallons per day per mile of main. With the acquisition of improved detection equipment and the experience of the Company's technical staff, the effectiveness of the efforts continue to increase steadily since the initial survey started.

A leak detection survey for the Western System was completed between August 1998 and November 1999. Approximately 391 miles were surveyed and 47 leaks were repaired with an estimated cumulative loss of 85 gpm or over 122,400 gallons per day. A leak detection survey was performed for the Crescent Lake System in 1999. Approximately 2.4 miles were surveyed and no leaks were found. A leak detection survey was performed for the Stafford System in 2003. Approximately 14 miles were surveyed and 1 leak was repaired with an estimated cumulative loss of 13 gpm or over 18,720 gallons per day. A leak detection survey was performed for the Somers System in 2001. Approximately 15 miles were surveyed and no leaks were found. A leak detection survey was also performed in 2004 with approximately 15 mile surveyed with 3 leaks repaired with an estimated cumulative loss of 1.5 gpm or over 2,160 gallons per day. A leak detection survey was performed for the Lakeview/Lakewood System in 2001. Approximately 3.1 miles were surveyed and 2 leaks were found with an estimated cumulative loss of 8 gpm or over 11,520 gallons per day. A leak detection survey was performed for the Reservoir Heights System in 2004. Approximately 2.5 miles were surveyed and no leaks were found. A leak detection survey was performed for the Lynnwood System in 2004. Approximately 1 mile was surveyed and 1 leak was found with an estimated cumulative loss of 3 gpm or over 4,320 gallons per day.

3.) **Program Costs:** The Company is committed to the leak survey and repair program described above. Approximately \$4,000 was allocated for year 2005 for the purpose of leak detection in the Northern Region. The cost of repairing the discovered leaks is no included in these figures. Table 5.2.2 of the Water Supply Plan shows the cost of the program for the Northern Region for years 2006-2011.

The benefit of this program comes from the assurance that all reasonable effort has been expended to eliminate lost water within each of the distribution systems.

Savings are realized from the storage, treatment and distribution costs that can be avoided as water is saved through leak detection and repair efforts. The cost of this program is reasonable and justifiable in light of our

commitment to the conservation of the water resources of the State and our efforts to reduce waste of the resource.

- 4.) **Continuing Maintenance Program:** All of the Company systems are a mixture of older mains of varying age and material and of recently laid mains, which for the past 20 years or more, have been constructed of the strongest and tightest pipe made, cement lined ductile iron pipe. The Company follows a program under which old pipe that does not meet today's stringent standards is gradually being replaced.

Each system is surveyed every three to five years with our leak detection and repair equipment, even if the system already meets our goal of less than 1500 gpd per mile of main leakage. The ongoing evaluation of the results of the water system audit is used to determine the necessary priorities for leak detection efforts in order to achieve and retain the lowest leakage rates feasible.

- 5.) **Long-term Effort for Distribution System Improvements:** The Company has an ongoing program for inspecting, cleaning and replacing or cleaning and relining pipes. As discussed above, our leak detection program is designed to thoroughly survey all systems every three to five years. When leaks are detected through the survey program, the pipes are repaired or replaced as soon as possible.

The Company has an ongoing program of upgrading systems to ductile iron pipe. As indicated Chapter 5, Table 5.2.1 (Five Year and Long Term Capital Expenditures Plan) of the Water Supply Plan, \$500,000 has been allocated over the next five years for miscellaneous distribution system improvements or replacements. As system needs and priorities are established over time, the capital expenditure plan will become more specific.

Currently, the Company relies largely on the information compiled from main break reports and our leak detection program to identify the condition of pipe and priorities for replacement. Since the various systems of the Company were acquired over time, and often with limited records on the size and condition of the distribution system, there are severe limitations on the Company's records in this area. The Company recognizes the importance of this information and has recently agreed to commit staff to develop a plan to compile this information over time. Over the past few years, the Company has been converting its manual distribution mapping system over to an Auto-Cad electronic system. The Northern Region has not yet been completely transferred into the new system. Once the entire region is in an electronic format, it can then be converted and upgraded into a GIS format. At that time it will be possible to provide a breakdown of mains by length and size. It is anticipated this data will be available for the

next plan update in 5 years. We consider this to be an important step to address infrastructure issues as they relate to the systems' performance and specifically to supply management efforts for water conservation. Some specific information which can be obtained through this system which will have value in our water conservation efforts include:

- accurate location (1" = 800') of the size and materials of our distribution system piping, sources, treatment and storage facilities;
- detailed location schematics of valves and hydrants;
- identification of hydraulic zones;
- main break history overlay;
- customer information linked to their map /address location including consumption data and tap card information;
- location of fire service accounts;
- other information to be determined in conjunction with the pilot effort.

6.) **Leak Detection Services Offered to Customers;** The Company provides leak detection services to consumers through our customer service department in response to high bill complaints or inquiries. Customers are routinely advised in writing, by our billing department, if there is a significant increase in consumption noted for the given billing period as compared to the same billing period in the previous year. As a result of these 'high bill letters' being generated, customer service staff are often requested to visit the premises to investigate the consumption. The customer service staff will check for leaks in faucets or toilets or high demand uses such as hoses, irrigation systems or swimming pools. It is often leaks at the customer's fixture (i.e. toilet, faucet) which cause the increase in consumption. These leaks would likely go undetected, however, if the Company did not flag the high bill and provide assistance to customers to locate the cause. The meter will be tested if deemed necessary. If the investigations does not identify a leak in the customer's premises which accounts for the increased consumption, the service line will be investigated as well.

If leaks are identified on the customer's side of the service line, the customer will be advised and required to make the necessary repairs. Our leak detection staff, using our electronic leak detection equipment, will help locate leaks in service lines for the customer if necessary to facilitate repair. Customers are required to repair any leaks on their service line

within a specified time to minimize wasted water. Service may be terminated to customers who refuse to comply and repair the leak.

In addition to direct communications to individuals with unusually high consumption, general information on losses due to leakage is provided in bill inserts and other Company publications. Customers are encouraged to identify and locate such leaks themselves but CWC staff is available to assist if needed. As educational materials are developed, including guidance on leak detection through self-audits, the Company will utilize these materials wherever appropriate to promote a greater consumer awareness of the effects of leaks on water consumption and conservation efforts. A Customer Fact Sheet was developed that explained the potential costs of leaks from a faucet or toilet if left un-repaired over a quarterly billing period.

4. PRESSURE REDUCTION

Operating Pressures: The Company operates our system in compliance with the DPUC Regulations at operating pressures of 25- 125 psi. The service pressure zones are depicted on the Supply and Land Use Maps included in the Water Supply Plans for each Region.

In the event that a customer's pressure exceeds 125 psi, the Company would review information for that particular location and see if pressure reduction is appropriate. There are not, however, any plans at this time to implement pressure reduction measures on a system-wide basis anywhere in the Company.

If the Company's new initiative to 'right size' meters (as described in the section on consumer metering) identifies a significant need to evaluate and change meters in the system, the priorities for a full scale program may be determined with first consideration to areas of higher pressure.

From a supply management perspective, we would not anticipate significant changes so do not plan to implement measures to reduce operating pressures to a range of 25 - 80 psi. Significant savings would only be realized with pressure reduction if there were leaks in the system. With our aggressive leak detection and repair program and a reasonably tight system, we would expect little gain from reducing operating pressures.

Long Term Reduction From Pressure Reduction: As discussed above, we do not anticipate any significant long-term reduction in demands as a result of pressure reduction measures in the Northern Region.

As previously discussed, as the Company compiles the information on the distribution system within the Company, a GIS system may be used to depict the data and help identify the need for future system modifications that may further the goals of conservation through supply management. As indicated, information on pressure zones will be incorporated in the information provided on a GIS system.



STATE OF CONNECTICUT

copy (JD)

DEPARTMENT OF PUBLIC UTILITY CONTROL

copy: WCS PSB
BLL CCM
VFS JEL
JRM RPK
KWK EHR
NPW

September 10, 1991
In reply, please refer to:
WA:SIO

Mr. William F. Guillaume
Senior Vice-President
Connecticut Water Company
93 West Main Street
Clinton, CT 06413

Dear Mr. Guillaume:

The Department completed its review of the Connecticut Water Company's ("Company") July 22, 1991 request that the Shoreline, Naugatuck and Northern Regions be granted permission to extend the periodic meter testing interval for water meters of 5/8", 3/4" and 1" sizes from twelve years to fourteen years, in accordance with Section 16-11-88 of the Regulations of Connecticut State Agencies ("Conn. Agencies Regs."). Permission had previously been granted in the Authority's Decision dated December 29, 1980, to extend the interval from ten to twelve years.

The Department has reviewed the meter test reports of the past three years for each region and the divisions that comprised each region in Docket No. 89-02-16, and finds that all divisions meet the criteria of Section 16-11-88, except in the case of the Naugatuck Division. 88.3 percent of meters in this Division were within the acceptable accuracy range in the 1988 test, which figure is below the 90.0 percent required by the Conn. Agencies Regs. Section 16-11-88.

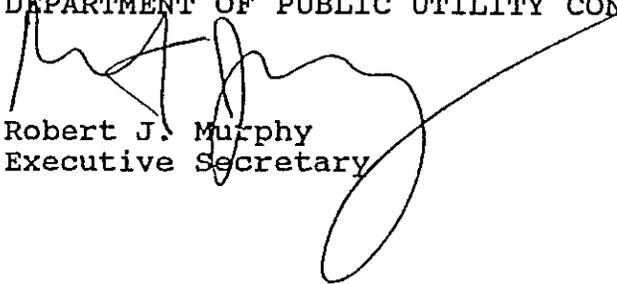
However, in view of the Company's change from operating divisions to regions, which justifies combining the meter test results from 1988 for the former Naugatuck, Collinsville, Terryville and Thomaston Divisions, which now constitute the Naugatuck Region, the Department finds that the 1988 meter test results for the Naugatuck Region were 92.6 percent accurate and therefore meet the criteria of Section 16-11-88.

Page 2
William F. Guillaume
Connecticut Water Co.

Accordingly, the Company's request is hereby granted effective with the 1992 testing program. Please refer to the date of this letter as authorization for this testing interval in all future submissions of the Annual Periodic Meter Test Report.

Sincerely yours,

DEPARTMENT OF PUBLIC UTILITY CONTROL



Robert J. Murphy
Executive Secretary

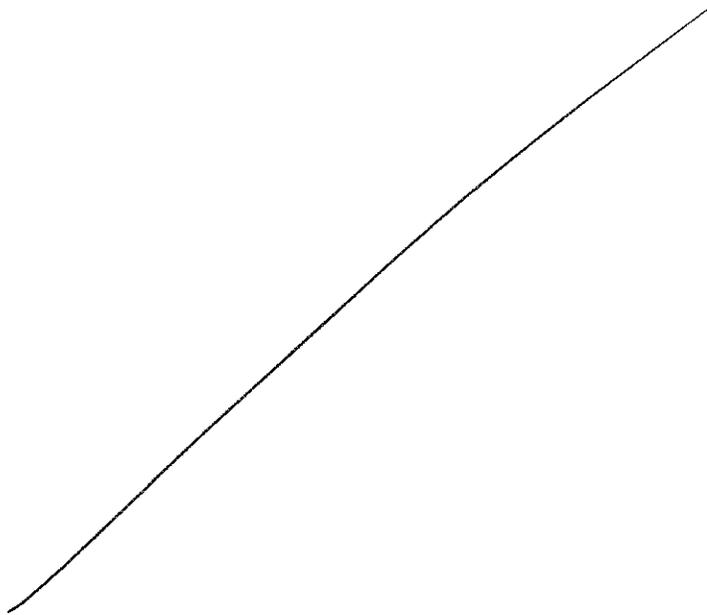
RJM/SIO/amv

III. WATER SYSTEM FACT SHEETS

FORM WC-5

Annual Water System Evaluation Worksheet

CWC does not currently have available all the information, in the form requested, for the Annual Water System Evaluation Worksheet. The attached page 425 of the DPUC Annual Report is provided for Form WC-6. This is submitted each year by the Company to the DPUC, and shows the extent of information currently available and is provided in lieu of Form WC-5. Future plan revisions will attempt to include the information as requested.



INTERCONNECTION SUMMARY (FORM 1)

Name of Your Water Company: The Connecticut Water Company-Northern Region

List each interconnection by name and/or location. Indicate name of water company connected to, the purpose for the interconnection (i.e., P. Purchase; S - Sell; PS = Purchase and Sell - two directional flow), and the status (i.e., A - Active; E - Emergency; I - Inactive).

<u>Number</u>	<u>Name and/or Location of Interconnection</u>	<u>Company Connected To</u>	<u>Purpose</u>	<u>Status</u>
/				

INTERCONNECTION SUMMARY (FORM 1)

Name of Your Water Company: The Connecticut Water Company-Northern Region

List each interconnection by name and/or location. Indicate name of water company connected to, the purpose for the interconnection (i.e., P. Purchase; S - Sell; PS = Purchase and Sell - two directional flow), and the status (i.e., A - Active; E - Emergency; I - Inactive).

<u>Number</u>	<u>Name and/or Location of Interconnection</u>	<u>Company Connected To</u>	<u>Purpose</u>	<u>Status</u>
/				

FIVE YEAR IMPLEMENTATION FOR WATER CONSERVATION

<u>ELEMENTS TO BE ADDRESSED</u>	<u>ACTIONS</u>	<u>WHO</u>	<u>WHEN</u>	<u>COST</u>	<u>RESULTS/REMARKS</u>
<u>I. DEMAND MANAGEMENT</u>					
A. Water Use Audits of Large and high priority users	Water audits offered to 17 customers Company wide in 2004. Six audits offered in Northern Region. Four customer requested audit. CWC assisted audits at smaller facilities	Consultant hired by CWC	2004	\$25,000-company wide	Report prepared by consultant identifying applicable efficiency measures
	CWC assisted audits at smaller facilities	CWC staff with customer	As requested	Internal labor	Reduce consumption at non-residential accounts, encourage self-audits by customers
	Develop self audit materials	CWC staff	Ongoing	\$2500 to develop and provide stock for distribution	Promote water conservation, encourage self-audits by customers.
B. Retrofit Program	Residential Retrofit Program - kit distribution and public information efforts	CWC staff	Bulk distribution completed in 1991; additional kits and information available on ongoing basis	Total cost of \$650,000 incurred to date	Promote residential conservation
	Distribute educational materials on water conservation/ residential leak detection	CWC	Ongoing	\$1000 per year	Promote residential conservation
	Offer kits to all new customers	CWC	Ongoing	Included in original kit purchase costs	Promote residential conservation to new customers
C. Technical Assistance	Offer staff assistance to customers conducting self audits	CWC	Ongoing	Internal labor	Promote water conservation at smaller facilities, encourage self-audits by customers

FIVE YEAR IMPLEMENTATION PLAN FOR WATER CONSERVATION (cont'd)

<u>ELEMENTS TO BE ADDRESSED</u>	<u>ACTIONS</u>	<u>WHO</u>	<u>WHEN</u>	<u>COST</u>	<u>RESULTS/REMARKS</u>
C. Technical Assistance (cont'd)	Distribute self audit materials	CWC staff	Ongoing	Internal labor and promotions expense	Promote non-residential water conservation at smaller facilities; encourage self-audits by customers
D. Water Rates and Pricing	Review rate structure to evaluate block commodity charges that encourage conservation	CWC with assistance from rate specialist	2006	--	Encourage water conservation by eliminating minimum water use allowance and creating a conservation ethic in rate design for all consumption
E. Additional Measures Limited Supplies / Existing Deficit	Internal program to evaluate per capita consumption by customer class	CWC	Ongoing on quarterly and annual basis	Internal labor	Identify trends in consumption to determine supply needs
	Work with local officials and developers regarding supply availability and necessary system improvements for new projects	CWC	Ongoing	Internal labor	Ensure adequacy of supplies and facilities for anticipated development
F. Public Education	Bill messages	CWC	Ongoing as appropriate	No additional cost	Increase customer awareness on water conservation issues
	Bill inserts	CWC	Ongoing - at least 1 per year on conservation	\$3000 per insert	Promote selected water conservation topics to increase conservation ethic

FIVE YEAR IMPLEMENTATION PLAN FOR WATER CONSERVATION (cont'd)

<u>ELEMENTS TO BE ADDRESSED</u>	<u>ACTIONS</u>	<u>WHO</u>	<u>WHEN</u>	<u>COST</u>	<u>RESULTS/REMARKS</u>
F. Public Education (cont'd)	Displays at home shows, fairs, etc.	CWC in cooperation with town officials and participating organizations	Ongoing - at least 3 events per year	\$2000 per year for educational materials and supplies	Promote conservation ethic
	Educational efforts directed at Company employees	CWC	Ongoing	Internal labor	Increase employee awareness of conservation program and issues
	Film and slide shows	CWC	Ongoing	\$100 per year	Increase available educational materials
	Flagging unusually high consumption	CWC	Ongoing	\$2000 per year for forms and mailing expense	Reduce leakage at customer's premises
	Information on landscaping	CWC	Ongoing	\$3000 each insert; Internal labor costs for press releases	Promote efficient lawn watering practices; reduce peak demands; minimize wasted water outside
	Newspaper articles	CWC	Ongoing	No cost	Promote more efficient outside water use habits
	Pamphlets on water conservation	CWC	Ongoing	Generally developed as bill insert so included in that budget item	Promote water conservation awareness
	Customer Fact Sheets	CWC	Ongoing	Internal labor and expenses	Advise customers regarding leak detection and water conservation
	<i>In Your Community</i> Newsletter feature	CWC	Ongoing	No additional cost for conservation coverage	Promote water conservation measures to officials, fire departments, and commissions

FIVE YEAR IMPLEMENTATION PLAN FOR WATER CONSERVATION (cont'd)

ELEMENTS TO BE ADDRESSED

F. Public Education (cont'd)

<u>ACTIONS</u>	<u>WHO</u>	<u>WHEN</u>	<u>COST</u>	<u>RESULTS/REMARKS</u>
School programs	CWC	Ongoing	\$2000 per year to develop and provide age appropriate handouts plus CWC labor	Educate on water conservation in schools
School program-offer bookcovers developed by CT Sect. Water Conservation/Source Water Protection Comms. Speakers Bureau	CWC	Starting September 2006	Internal labor and expenses	Educate 5/6 graders on water conservation and source protection
Website	CWC	Ongoing	Internal labor and expenses	Inform professional or civic organization on water conservation
Installed Water Calculator on website	CWC	2006 and ongoing thereafter	\$15,000	Provide information on water conservation measures and links to other conservation websites.
Develop and promote model water conservation ordinance	CWC	Develop with CT Section/DPH in 1995; seek adoption thereafter	No cost	Allows customers to calculate potential water savings. Provide means to enforce water use bans in the event of an emergency
Advise local officials on proper use of hydrants	CWC	Ongoing	Internal labor	Reduce non-revenue water
100% Metered	CWC	Completed		Accurate production info
Meter Testing	CWC	Ongoing annually		Reduce non-revenue water
100% Metered	CWC	Completed		Reduce non-revenue water
Modify Company Regulations to Require Detector Checks on New Fire Services	Developer	Ongoing	No cost	

II. SUPPLY MANAGEMENT

A. Source Metering

B. Consumer Metering

FIVE YEAR IMPLEMENTATION PLAN FOR WATER CONSERVATION (cont'd)

<u>ELEMENTS TO BE ADDRESSED</u>	<u>ACTIONS</u>	<u>WHO</u>	<u>WHEN</u>	<u>COST</u>	<u>RESULTS/REMARKS</u>
B. Consumer Metering (cont'd)	Program to Right Size Meters	CWC	Ongoing	\$15,000 for flow monitoring equipment plus internal labor	Reduce non-revenue water
	Hydrant maintenance	CWC	Ongoing	Parts and labor	Reduce leaks and non-revenue water
	Internal water use audits	CWC	Ongoing	Internal labor	Reduce non-revenue water
C. Reduction in Non-Revenue Water	Leak Detection Program Northern Region	CWC	Ongoing	\$4,000 plus the cost of repairs for 2005. \$126,000 for years 2006-2011.	Reduce non-revenue water
	Additional leak detection for Stafford System	CWC	Ongoing	Internal labor	Reduce non-revenue water
	Long Term Distribution System Improvements Northern Region	CWC	2006-2010	\$500,000 over 5 years	Reduce non-revenue water, maintain system integrity
D. Leak Detection and Repair	Pressure and leakage tests of new mains	Developer	Ongoing at time of installation	Internal labor	Reduce non-revenue water
	GIS Pilot Program	CWC	Ongoing	\$30,000	Improve availability and access to information on distribution system to allow for planning conservation measures
	Leak Detection Services Offered to Customers	CWC	Ongoing	Internal labor	Facilitate repair of service line leaks to reduce non-revenue water
E. Pressure Reduction	Install PRV at customer premises if pressures exceed 125 psi	Developer / customer	Ongoing at time of service connection	Materials and labor	Reduce non-revenue water

FORM WC-6

Water Production and Consumption

Page 425 from CWC's Annual Report to the DPUC includes information required on Form WC-6. They are being substituted for Form WC-6 for the Northern Region for the historic data.

THE CONNECTICUT WATER COMPANY

Report for the Year ending December 31, 2005

WATER PRODUCTION AND CONSUMPTION

Show quantities of water produced and purchased and the quantities delivered to consumer and lost or unaccounted for, including system demand experience, during the year. Estimates for each of the listed items of non-revenue water, primary efficiency measurements, shall only be entered where there exists a sound basis of accurate supporting data- the remainder falling under "Balance (unknown)". All supporting data shall be maintained for periodic Department audit.

1. Potable water produced, metered, and discharged for consumption use

<u>Month</u>	Thou. Gals. from terminal <u>Reservoirs</u>	Thou. Gals. pumped from <u>Wells</u>	Thou. Gals. <u>Purchased*</u>	Total Thou. Gals. delivered to mains
January	132,001	100,011		

IV. APPENDIX A

**RESIDENTIAL RETROFIT PROGRAM
CONSUMPTION EVALUATION SUMMARY**

AUGUST 1993

THE CONNECTICUT WATER COMPANY

RESIDENTIAL RETROFIT PROGRAM
CONSUMPTION EVALUATION SUMMARY

A brief summary of the Connecticut Water Company (CWC) residential retrofit program is provided to establish the basis for the data and discussion of the water conservation program evaluation. Additional details on conservation kit availability and delivery method, public information efforts and survey methodology and results are available as necessary in support of this summary report.

Kit Distribution

CWC provided direct mail customer notification of the residential retrofit program and distributed water conservation kits by door-to-door delivery to all single family residential customers over a three month period from January through March of 1991. Multi-family residential and seasonal customers were advised by direct mail of the kit availability and provided kits upon request.

Customers were also notified of the kit availability annually, thereafter, through bill messages and inserts.

Through this combination of door-to-door delivery and responses to customer requests, a total of nearly 67,000 kits were provided to approximately 53,000 residential customers as of the end of 1992.

Kits are routinely provided by The Company to any new residential services. Additional requests come in each year with the kit reoffering notice, but the response is relatively small (about 1000 kits each year) compared to the extensive saturation at the onset of the program. These additional kits may represent new customers, 2nd kit requests or multi-family accounts who have elected to participate.

Kit Penetration

The program distribution rate, as indicated above, was approximately 93% of all residential accounts. The remaining 7% of our residential customers (mostly multi-family accounts), though offered kits, chose not to participate in the program.

Information on installation rates was obtained through a number of methods: either customer return surveys, a CWC in-house phone survey, and a statistically valid random phone survey. For the purposes of establishing a kit penetration rate, the installation rates from the random phone survey have been used.

Through this method it was determined that 53% of the respondents installed all or part of their kits.

The penetration rate reported in the March 1993, *Status Report, Connecticut Residential Retrofit Program, Interim Program Results, Analysis of 1991 and 1992 Data*, prepared by Denise Ruzicka of DOHS was calculated using the kit distribution (93%) and installation rates (50%) for the CWC program, and discounting for a device removal factor. Using this methodology, the penetration rate reported in the *Interim Report* was 47%. A subsequent phone survey of over 600 randomly selected residential customers, found the installation rates to be somewhat higher by 1992 (53% installed all or part of kit) so the calculation of the penetration rate may be adjusted accordingly to 49% received and installed all or part of kit.

Consumption Evaluation Methodology

To measure the program effectiveness, consumption savings from use of the kits must be estimated. At CWC, our program included essentially 100% kit distribution within a very short period of time. Therefore, selection of a control group, known to have no kits, was only possible through a comparison with previous years' consumption.

To measure the effectiveness of the kits, CWC reviewed consumption for comparative periods for customers in 4 categories and as an overall company total. The groups were:

Single Family Survey category (SF Surv) - customers who received kits and returned voluntary surveys which indicated they had installed all or part of kit.

Single Family No Survey category (SF No Surv) - customers who received kits but did not return surveys to indicate whether they installed any or all kit-components.

Multi Family Request category (MF Req) - multi-family accounts which requested kits and presumably installed all or part.

Multi Family No Request category (MF No Req) - multi-family accounts which did not request or receive kits.

Consumption records for customer accounts were reviewed over corresponding quarterly and annual billing periods. Within the single family survey and multi-family request categories, records were only considered valid if they had an identical customer match in the comparative billing period (i.e. the owner had not changed since the previous year of the comparison). Using a bill analysis program, the average consumption per customer was calculated in each category for the selected billing periods and the year.

The attached data summary sheets show the average per quarter customer consumption and consumption comparisons for 1992 to 1990. The results are reported by category and company total on a quarterly and annual basis. A separate consumption comparison was run to get the cumulative 4 quarter data, to ensure that the data reflected only 'matched' customer accounts for the entire year (i.e. only customers receiving 4 quarterly bills in 1992 and in the comparison year were considered valid).

The quarters reported in the bill analysis were based on CWC *billing* periods. It must be recognized each bill issued within the period reflects consumption for the previous three months. As shown in this comparison, the 1st quarter, represents *bills issued* in the first three months of the year (January, February, March); the 2nd quarter represents *bills issued* in the months of April, May, June, etc. If one is trying to focus the review on the 'winter quarter' which is relatively stable, indoor use, this may be reflected in the bills issued in the 1st quarter (October, November, December, January, February and March consumption). Likewise, the 'summer usage' may be reflected in bills issued in the 3rd quarter (April, May and June, July, August and September consumption).

Consumption Evaluation Results

Upon review of the data for the various comparison periods it was evident there was a significant drop in residential consumption over the past two years.

The impact on consumption from various social, economic and demographic factors could not be quantified or evaluated within the scope of this study. The overall results, were striking in that there has been a steady decrease in residential consumption since 1990 when the kits were first distributed. This pattern is quite evident in the attached graph, which reflects a drop of 1.7% per year (5.2% over 3 years) in residential consumption in the 1st quarter since 1990.

The consumption analysis for the period from 1992 to 1990 captures the cumulative impact of kit distribution and installation. This comparison shows a decrease of 5.90% on a company-wide basis for the 1st quarter and 4.36% for the cumulative 4 quarters of the year. First quarter consumption is generally recognized to be without weather related impact. A reduction in first quarter usage is, therefore, viewed as significant in this conservation effort. The cumulative 4 quarter period is more representative of annual water use reductions.

The consumption comparisons revealed a notable decrease in consumption for those customers known to receive and install kit components. A cumulative reduction of 8.31% for single family kit users and 5.68% for multi-family kit users was observed.

If the reduction in demand experienced by the surveyed customers was extended over the percentage of participating customers (53%) and adjusted for the relative number of single-family and multi-family accounts in the customer base (93% single family, 7% multi-family) the weighted impact would be approximately 4.5% reduction in demand for the entire customer base.

The cumulative 4 quarter drop of 4.36% identified in the consumption comparison represents a reduction in quarterly demand from an average of 18,560 gallons per customer to 17,750 gallons per customer. This quarterly reduction of 810 gallons per customer, distributed over the customer base of 53,000 residential accounts, on an annual basis, equates to a reduction in demand of approximately 170 million gallons per year for The Company.

Conclusion

Through various comparisons and evaluations, the Company has identified a significant drop in residential consumption since 1990. Demand reductions in excess of 8% were observed for single-family customers who installed conservation kits and an overall demand reduction of over 4% was identified among all the residential customers.

The implementation of the residential retrofit program, including the distribution of water saving devices and the associated public information efforts has, and will continue to, affect residential demands within our Company. It is expected that reductions in residential demand will continue to be realized with the strong public awareness of water conservation and the implementation of the state plumbing efficiency standards.

CONNECTICUT WATER COMPANY

RESIDENTIAL RETROFIT PROGRAM CONSUMPTION EVALUATION DATA

1990 Average Per Customer Consumption (thousand gallons)

	<u>SF Surv</u>	<u>SF No Surv</u>	<u>MF Req</u>	<u>MF No Req</u>	<u>CO TOT</u>
1st Qtr 90	14.99	15.08	53.36	39.20	17.47
2nd Qtr 90	15.26	15.20	53.46	40.46	17.66
3rd Qtr 90	18.65	18.45	56.19	44.08	20.95
4th Qtr 90	15.60	15.68	53.21	41.16	18.16
Cum Qtrs 90	16.12	16.10	54.06	41.25	18.56

1992 Average Per Customer Consumption (thousand gallons)

	<u>SF Surv</u>	<u>SF No Surv</u>	<u>MF Req</u>	<u>MF No Req</u>	<u>CO TOT</u>
1st Qtr 92	13.89	14.64	50.83	28.00	16.44
2nd Qtr 92	14.32	14.88	50.07	39.32	17.08
3rd Qtr 92	16.52	17.37	52.61	42.30	19.55
4th Qtr 92	14.37	15.38	50.45	40.30	17.52
Cum Qtrs 92	14.78	15.57	50.99	40.16	17.75

1992 to 1990 Consumption Comparison (% Change in Demand)

	<u>SF Surv</u>	<u>SF No Surv</u>	<u>MF Req</u>	<u>MF No Req</u>	<u>CO TOT</u>
1st Qtr 90	-7.33%	-2.92%	-4.74%	-28.57%	-5.90%
2nd Qtr 90	-6.16%	-2.10%	-6.34%	-2.82%	-3.28%
3rd Qtr 90	-11.42%	-5.85%	-6.37%	-4.04%	-6.68%
4th Qtr 90	-7.88%	-1.92%	-5.19%	-2.09%	-3.52%
Cum Qtrs 90	-8.31%	-3.29%	-5.68%	-2.64%	-4.36%

NOTES: Comparison of consumption data for same time period.

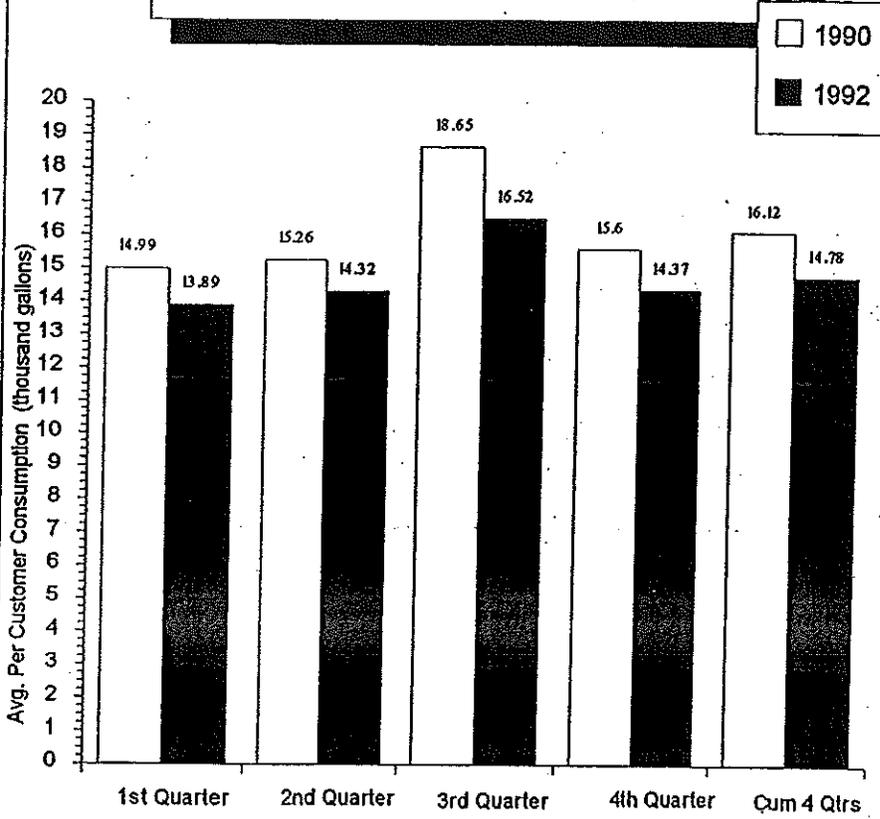
SF Surv category returned surveys and indicated they had installed all or part of kit.

SF No Surv received kits but we have no indication whether or not they were installed.

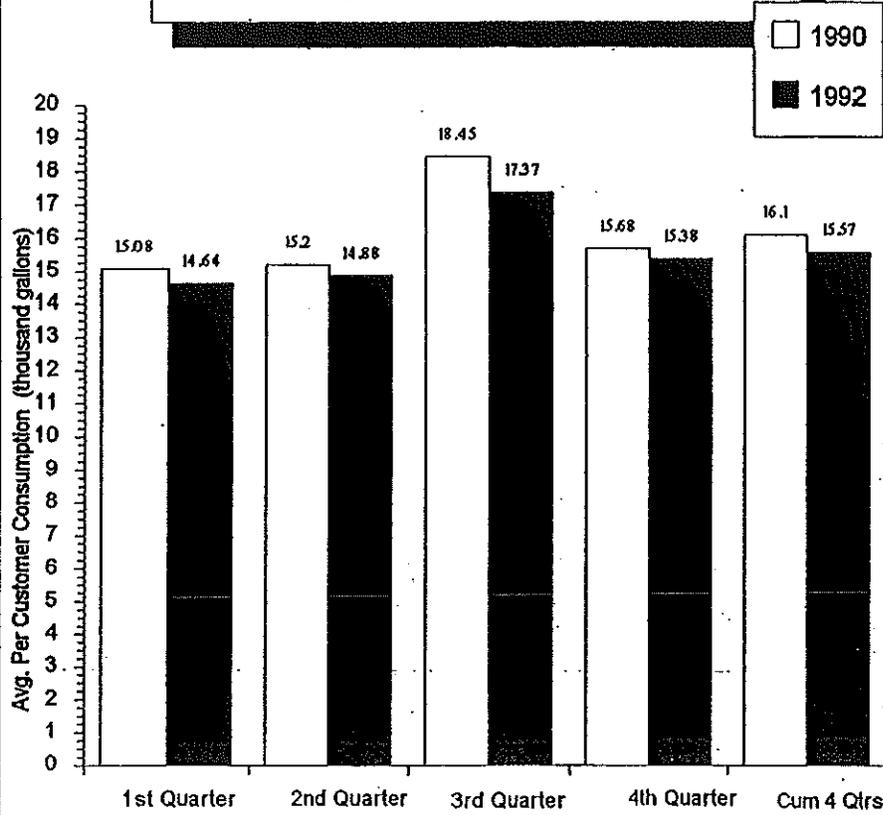
MF Req are multi-family accounts which requested kits and presumably installed all or part.

MF No Req did not request or receive kits.

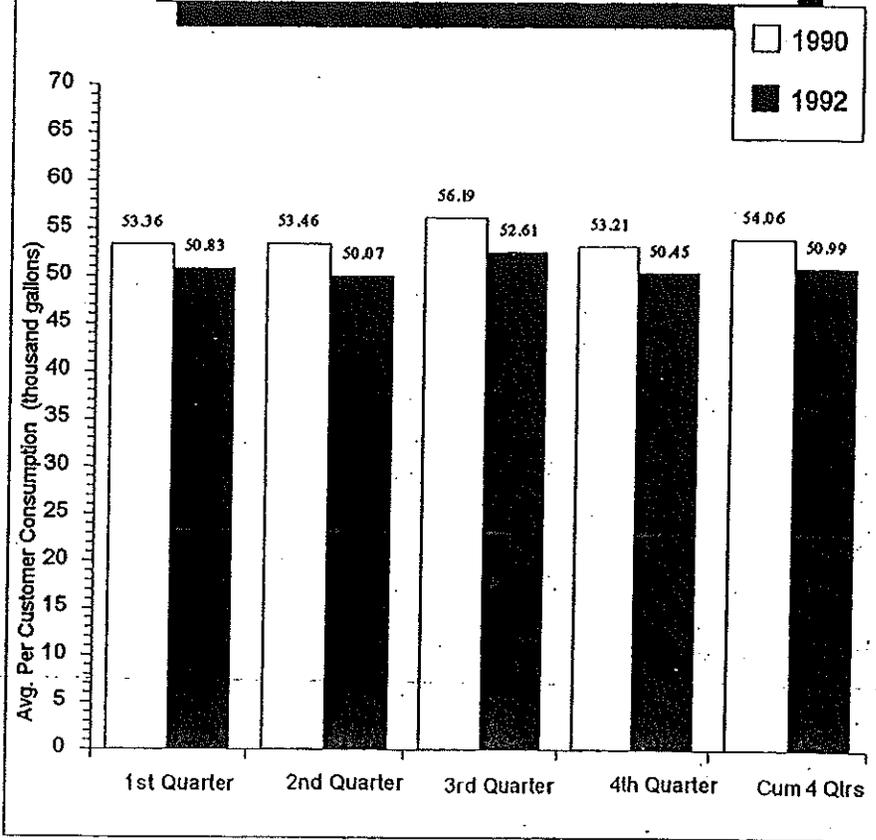
**AVERAGE PER CUSTOMER DEMAND
1990 AND 1992
Single Family Survey**

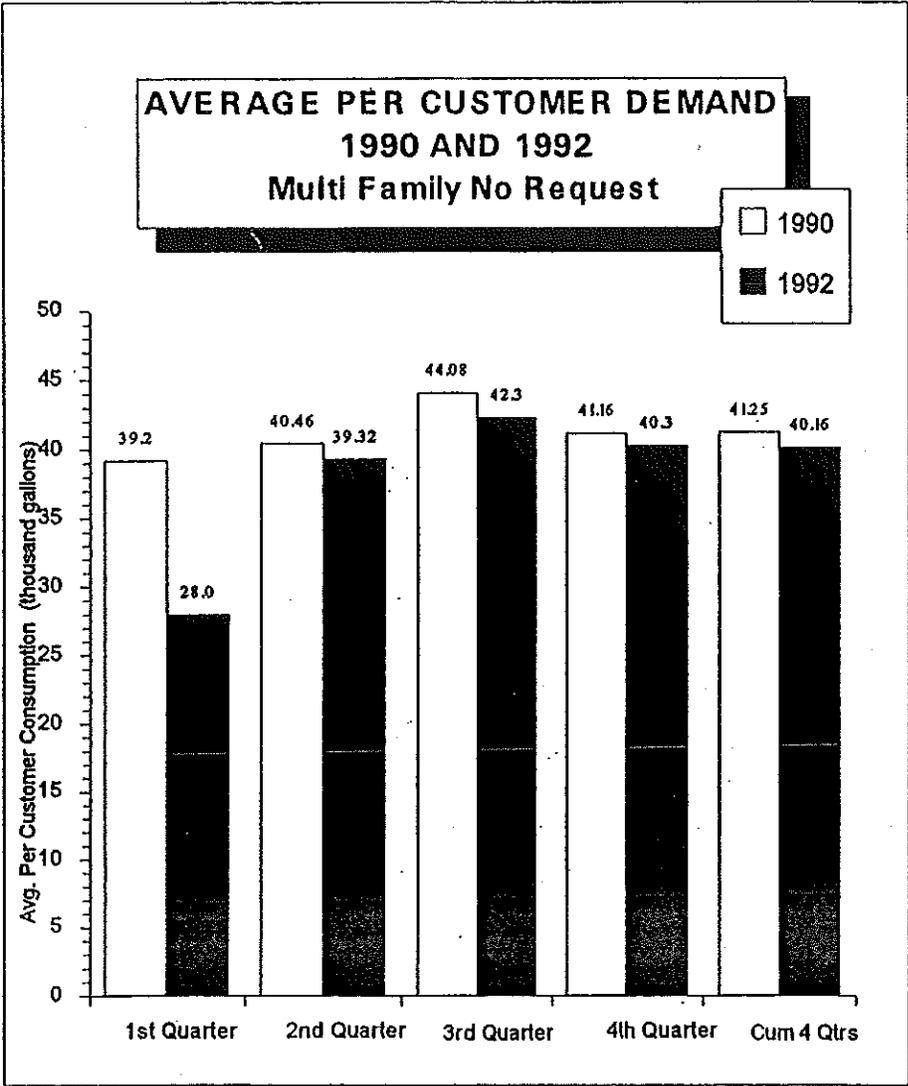


**AVERAGE PER CUSTOMER DEMAND
1990 AND 1992
Single Family No Survey**

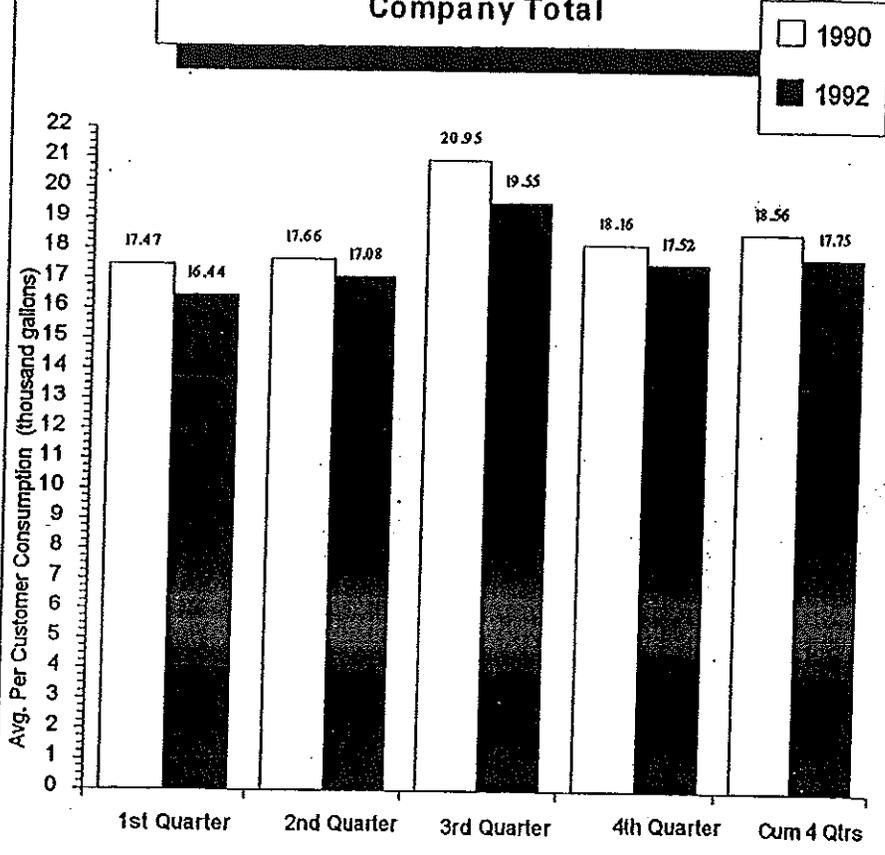


**AVERAGE PER CUSTOMER DEMAND
1990 AND 1992
Multi Family Request**

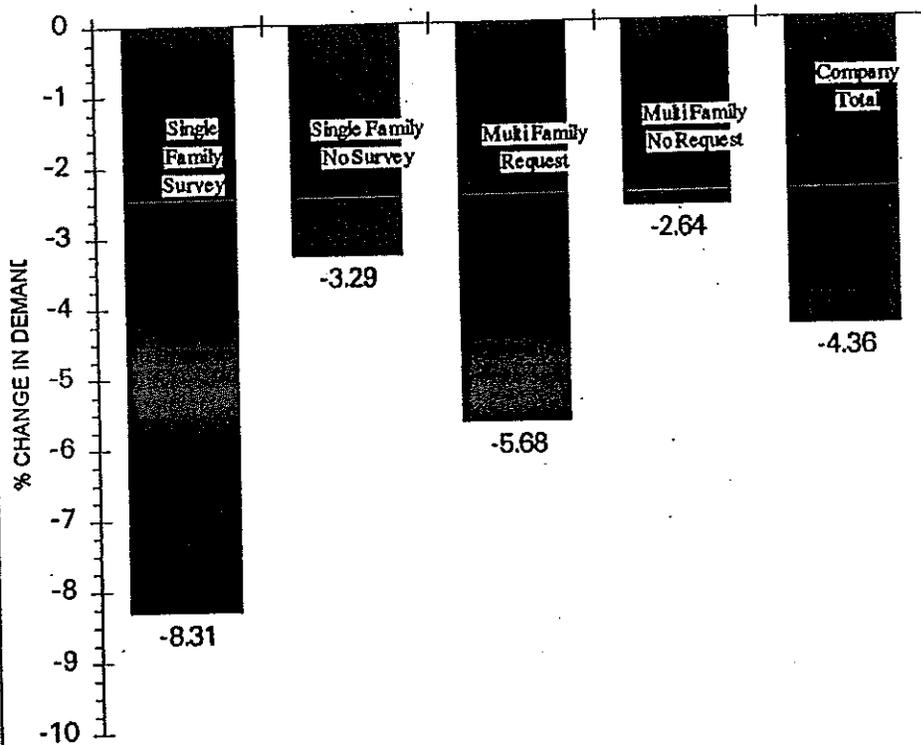




**AVERAGE PER CUSTOMER DEMAND
1990 AND 1992
Company Total**



**% CHANGE IN RESIDENTIAL DEMAND
FOLLOWING CONSERVATION PROGRAM
Cumulative 4 Quarters 1992 to 1990**



V. APPENDIX B

**SAMPLE CUSTOMER COMMUNICATIONS
AND PUBLIC INFORMATION MATERIALS
REGARDING WATER CONSERVATION**

**DEVELOPED AND DISTRIBUTED
BY CONNECTICUT WATER COMPANY**

APPENDIX H

EMERGENCY CONTINGENCY PLAN



**EMERGENCY CONTINGENCY PLAN
OF
THE CONNECTICUT WATER COMPANY
NORTHERN REGION**

APPENDIX I
SUPPLY AND LAND USE MAPS

APPENDIX J

DISTRIBUTION SYSTEM MAPS

