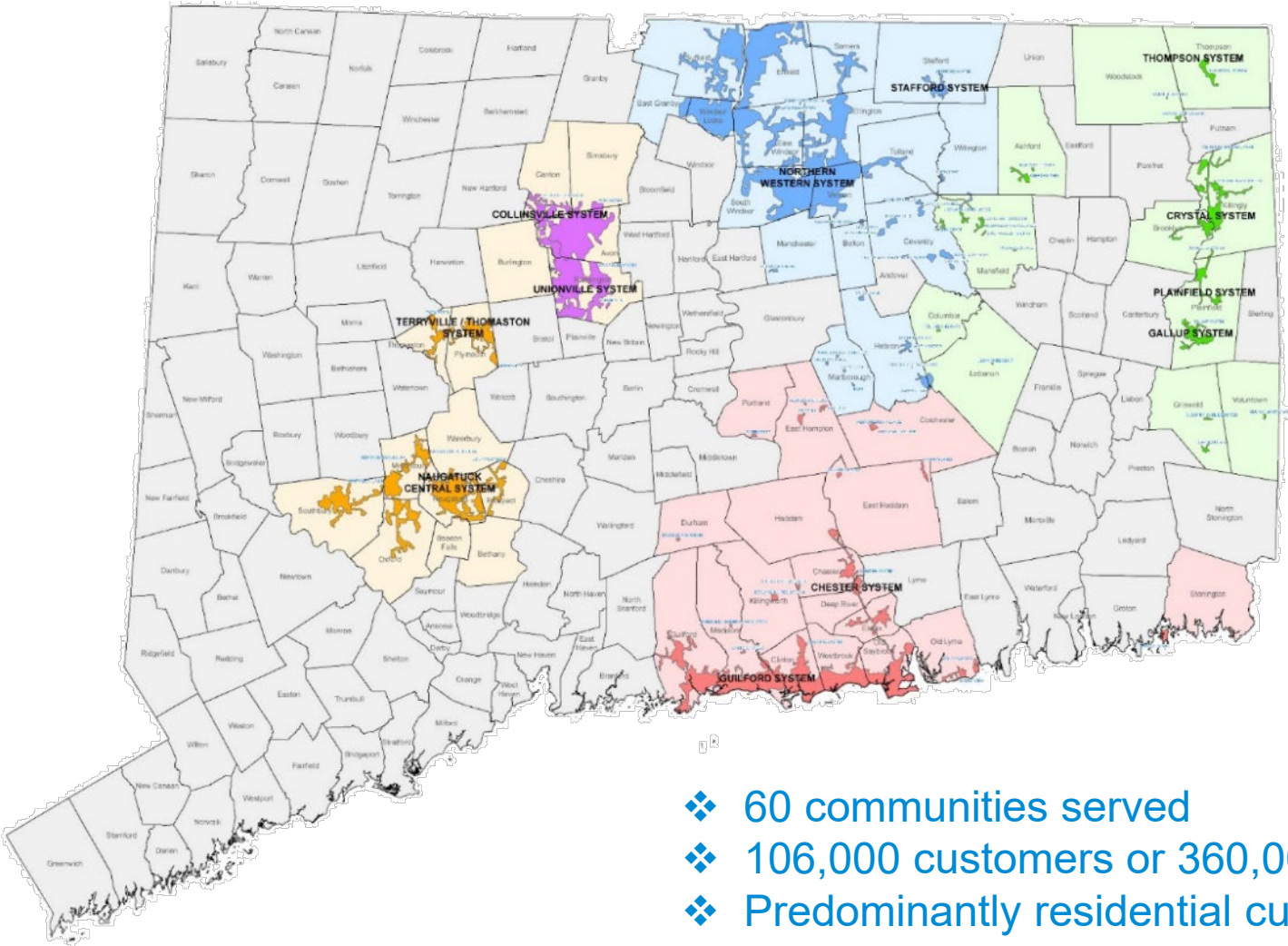




Customer Advisory Council

March 29, 2022

Connecticut Water Service Area



- ❖ 60 communities served
- ❖ 106,000 customers or 360,000 people
- ❖ Predominantly residential customer base



Legislative Session

- Private well testing
 - Does not impact CT Water as our sources are tested regularly
 - Does affect the communities we serve
 - Working with state representatives Foster and Nuccio
- Use of Sodium Chloride for Snow/Ice Treatment
- Highway Use Tax
 - Would be an administrative burden to Connecticut Water
- Seeking reinstatement of the sales tax exemption for private/investor-owned water utilities
 - Taxes are a pass through to customers that increase costs
 - Municipal and quasi-public water utilities don't pay sales tax

Customer Service

- PURA has authorized CWC to resume to shut-offs for non-payment
 - Focusing on those that have not paid since 2020 and have not contacted us to discuss assistance options
 - Assistance options still available to them
- Assistance Options under H₂O
 - PURA required payment plans
 - Forgiveness and deferred payment options
 - Water Rate Assistance Program
 - Operation Fuel Partnership
 - Low Income Household Water Assistance Program



Cyber News

- Top steps to protect data
 - Multi Factor Authentication (MFA)
 - Project in progress in Connecticut
 - Patching all systems
 - Enhancing our patching routine
 - Using automation tools to identify vulnerable systems
 - User training
 - Regular “testing” of employees using phishing campaigns
 - Recent scores better than industry average



Regulatory Update

- Water Revenue Adjustment ‘true up’ actual revenues collected to the level authorized by PURA
 - If more revenue is collected than authorized it is returned through a ‘surcredit’
 - If less revenue is collected than authorized the shortfall is recovered through a surcharge
 - Set once per year (in April) for the preceding year
- Water Revenue Adjustment effective April 1, 2022
 - Requested rate is 2.85% for all customers, pending PURA approval
 - Prior rate was a surcredit of 0.74%
- PURA/DPH Proceeding into the ownership of the Miami Beach Water Company in Old Lyme
 - Small system with large infrastructure needs

Infrastructure Investment

Delivering Reliable Service and High-Quality Water

- Supply Chain Issues
 - Longer lead times for pipe and valves
 - Committed to delivering projects
- 2022
 - Projects started
 - Budget - \$61.4 million
 - More than \$25 million for WICA
- Working with local communities on Drinking Water State Revolving Fund including Bipartisan Infrastructure Law Funding

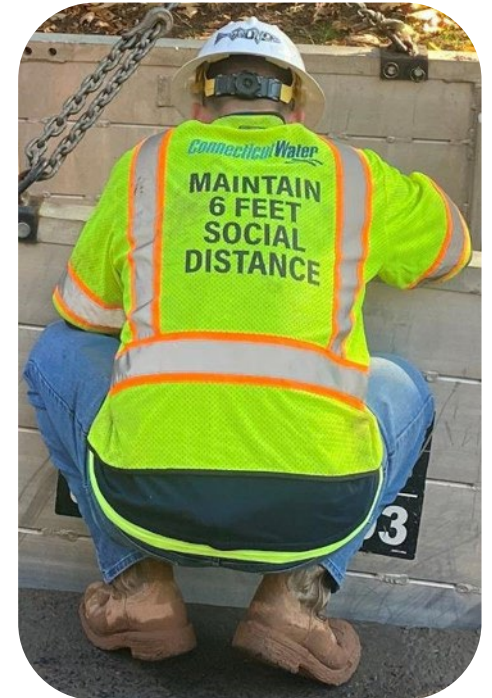


Key 2022 WICA Projects

- Clinton – Fairy Dell
- Essex/Ivoryton – Route 602
- Farmington – Scott Swamp (Rte. 6)
- Naugatuck – Fern, Quinn, and North Hoadley
- Killingly – Maple Street
- South Windsor – Farnham Estates
- Suffield – Rte. 159
- Southbury – Heritage Crest

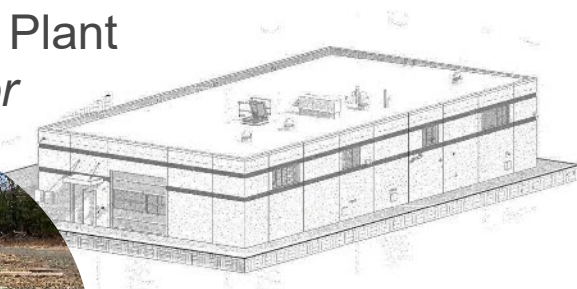
Customers notified when work will affect service

Most projects use local contractors and workers



Non-WICA Projects

Hunt Water Treat Plant
East Windsor



Church Road Booster
Southbury



Valley Road Booster Station
Killingly



Stafford Tank
Near Johnson Memorial Hospital



CT Water Stats

1,800 miles of water main

235 groundwater wells

18 surface water supplies

65 non-interconnected water systems

Water Supply Status and Conservation

- Water Supplies at or near capacity
- Still encouraging conservation “Wise Water Use”
 - New Conservation Water Rate in effect
 - Residential customers will pay a slightly higher rate for water used in a billing period that averages more than 200 gallons per day
 - Enforcement ‘Mandatory’ Water Conservation Requests
 - Fee of up to \$200 for customers who do not comply
 - Fee would be assessed only after customers notified that a mandatory conservation request was in effect



Support for the Environment

- Plans under review for 6 parcels of land offered through the Memorandum of Agreement with Save the Sound (Naugatuck, Bethany, Prospect, Killingworth)
- Construction and installation have begun on up to 40 wood duck/bluebird nesting boxes in partnership with DEEP. Boxes will be installed on watershed lands
- As part of Pollinator Pathway initiative, pollinator gardens installed in Clinton and Naugatuck



Community Outreach

- 2022 Rain barrel program: barrels offered for discount purchase/direct ship in the spring
 - \$10 bill credit for first 250 to order
- Water Drop Watchers program
- Water Fill Station and Fire Grants
- Charitable Giving Committee
 - Company funded (not customer funded)
 - Application available online
 - Ukraine donation in 2022



Commitment to Our Workforce

Conducting Flow Tests in East Windsor



- Committed to training, development, and rewarding careers
- Safe and productive work environment
- Measure employee satisfaction and engagement
- Connecticut Water Company voted a Top Workplace USA 2022 by employees
 - One of just 1,100 companies across the country

Recreation Update

- Shenipsit Lake Recreation Program
 - Online boat registration completed on March 26
 - Program opens with all recreation elements on April 9
- Killingworth Reservoir Trail
 - Washed out bridge scheduled for replacement
 - Trail expected to reopen in summer of 2022
- Other opportunities
 - Ongoing evaluation of other lands that can be opened to passive recreation





Thank you
&
Questions