



FOR IMMEDIATE RELEASE
3/18/14

Media Contact:
Bruce Silverstone
Vice President – Corporate Communications
Aquarion Water Company
Phone: (203) 336-7658

**Aquarion Water Company of Connecticut Announces
5.6% Rate Reduction for Customers**

*Aquarion will return \$29 million to customers and delay the
company's next general rate increase as the result of a federal tax rebate.*

BRIDGEPORT, CONN. – March 18, 2014 – Aquarion Water Company has announced that recently issued tax law regulations by the Internal Revenue Service (IRS) have resulted in a refund to the company. These regulations, issued in September, 2013, effectively allow Aquarion to adopt an alternative to how capital expenditures are treated for income tax purposes. As a result, Aquarion will be passing on this refund to customers beginning January 1, 2015 and will see rates reduced by 5.6% for the next three years. The total amount to be returned to customers through reduced rates is \$29 million.

The Connecticut Public Utilities Regulatory Authority must review and approve this proposal before it is finalized.

“We are committed to providing our customers with the highest quality water and outstanding service,” said Charles V. Firlotte, Aquarion President and CEO. “We are grateful that these regulations will allow us to continue to reliably provide safe, high quality water, at an even more economical rate. I am also appreciative of the assistance and support of the Connecticut Office of Consumer Counsel and the office of the Connecticut Attorney General in making this happen.”

In addition to the rate reduction, Aquarion announced that it will be delaying its next general rate case. Aquarion will also delay its planned Water Infrastructure and Conservation Adjustment (WICA) from April 1, 2014 to October 1, 2014. However, Aquarion will continue to invest in WICA eligible main replacements during this time period. The WICA program enables Aquarion to replace aging and undersized infrastructure to enhance water system reliability, public fire protection, and conservation of water and power.

“We are pleased to be able to delay our next scheduled application to PURA,” said Firlotte. “In the interim, we will continue to make prudent investments to improve and maintain the integrity of our system’s infrastructure.”

In announcing the delay, Firlotte said, “The change in regulations has resulted in a great settlement for our customers. They will receive an on-going benefit by not only seeing a reduction to their bill, but also stability in their water rates.”

About Aquarion Water Company:

Aquarion Water Company is the public water supply company for more than 625,000 people in 47 cities and towns throughout Connecticut, as well as serving customers in Massachusetts and New Hampshire. It is the largest investor-owned water utility in New England and among the seven largest in the U.S. Based in Bridgeport, Conn., it has been in the public water supply business since 1857. Across its operations, Aquarion strives to act as a responsible steward of the environment and to assist the communities it serves in promoting sustainable practices.

For more information on Aquarion Water Company and its subsidiaries, please visit www.aquarionwater.com or www.facebook.com/aquarionwater.

###