



AQUARION
Water Company

Stewards of the Environment™

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Media Contact:

Mark Tedeschi
True North Brand Group, Inc.
mark@truenorthpr.com
Phone: (781)-740-4050

**Nearly \$12 Million Of Investment In Hingham, Hull and North Cohasset
Infrastructure Drives Aquarion Water Company's Rate Filing**

HINGHAM, MA – April 17, 2017 – Aquarion Water Company of Massachusetts has filed a request with the Massachusetts Department of Public Utilities (DPU) to adjust rates its customers pay for water service. Aquarion's last request for a water rate increase was six years ago in 2011.

For the average residential customers in Hingham, Hull, and North Cohasset, Aquarion's request would result in an increase of about 14.2% or \$9.01 per month.

Since Aquarion acquired the water system serving Hingham, Hull, and North Cohasset from another private company in 2002, Aquarion has had three rate decreases (at the company's request) and two rate increases from the DPU.

“Since our last rate adjustment, Aquarion has significantly increased investment in the water infrastructure in Hingham, Hull, and North Cohasset. We have invested nearly \$12 million in our infrastructure in these towns, including improvements to our water treatment plant, upgrades to our sources of water supply, and replacement of water mains,” said Aquarion Water Vice President of Operations John Walsh.

The investments that Aquarion made into the infrastructure helped the company earn Department of Environmental Protection water quality awards in 2013, 2014 and 2016 for the system serving Hingham, Hull, and North Cohasset. Very few similarly sized water systems in the state receive this award each year.

Last year, Aquarion was ranked first among privately-owned utilities and fifth among 84 of the U.S.'s largest private and public water utilities by JD Power, which looked at overall customer satisfaction using six factors including water delivery, price, billing and payment, conservation, communications and customer service.

Aquarion's aggressive leak detection initiative in Hingham, Hull, and North Cohasset has resulted in the repair of more than 80 leaks, which contributed to a reduction in non-revenue

water (i.e. the difference between the amount of water a utility produces and the amount of water it can account for in sales through customer meters) from 24.8% in 2014 to 17.8% in 2016. Through lost water control efforts and conservation measures, the amount of water Aquarion withdraws from the environment to serve its customers in these three towns has fallen to about 90% of the amount allowed by the Massachusetts Department of Environmental Protection (DEP). This means there is more available water to meet the ongoing and expected growth in these communities.

“By continually investing in our water system, we improve the reliability of our treatment facility, reduce the frequency of service interruptions, reduce water main leakage, ensure our ability to meet growing water demands and enhance fire protection,” Walsh said.

Notably, in its rate filing, Aquarion will not seek to recoup the cost it has had to spend on legal fees to defend against the on-going municipal takeover attempt in Hingham. Although the defendant in this case, Aquarion has decided customers will not be asked to pay these legal costs.

If approved, the requested rate increase would translate into a water rate increase of approximately 1.9% per year for Hingham, Hull, and North Cohasset resident since the company acquired the water system in 2002. This is significantly lower than the 4.9% per year growth rate that the average water utility in Massachusetts has experienced from 2000 through 2014 (source: Tighe & Bond 2014 Massachusetts Water Rate Survey).

“The communities we serve rely on us to provide reliable, quality water service to support their local economies and to provide a high quality of life for residents,” said Charles V. Firlotte, President and CEO of Aquarion Water Company. “The investments we make in our systems help ensure that we are able to fulfill that commitment to the health and prosperity of our customers and communities.”

Aquarion’s water system investments and expenses are reviewed and approved by the DPU. The DPU will conduct an extensive review of Aquarion’s rate application. Public hearings and opportunities for public comment are part of the process and will be scheduled in the community under the direction of the DPU.

About Aquarion Water Company of Massachusetts:

Aquarion Water Company of Massachusetts is the public water supply company for more than 50,000 people in the towns of Hingham, Hull, North Cohasset, Millbury, and Oxford. Aquarion Water Company is the largest investor-owned water utility in New England, and 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.

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