



September 12, 2007

Dear Aquarion Water Customer,

In our most recent correspondence of August 6, 2007, we informed Aquarion customers of our intent to seek a rate adjustment from the Connecticut Department of Public Utility Control (DPUC). That letter made reference to a proposed overall rate increase for all of Aquarion's Connecticut customers and included the actual dollar increase that a typical Stamford, New Canaan, and Ridgefield residential customer could expect under the new rate structure.

Our previous letter included the actual dollar amount of the current rate, the dollar amount of the increase, and the new proposed rate for customers in Stamford, New Canaan, and Ridgefield. While the letter also included the overall percentage increase of our rate request for all Aquarion customers across Connecticut, it did not provide the percentage increase for Stamford, New Canaan, and Ridgefield customers. We apologize for any lack of clarity. It was not our intent to convey unclear information.

The figures below represent the effect on a typical residential customer's quarterly bill, based on an average quarterly usage of 18,000 gallons, and include the proposed rate increase as a percentage:

Proposed Quarterly Rate:	\$92.09	Proposed Percentage Increase to	
Current Quarterly Rate:	\$59.42	Stamford, Ridgefield, and New	
Quarterly Increase (<i>proposed</i>):	\$32.67	Canaan customers:	55%

Interested parties may contact Aquarion (203.445.7310 or 800.732.9678) or the DPUC (800.382.4586) for specific information with respect to such rates.

In a further effort to ensure that all of our customers have a clear understanding of how the proposed rate increase could impact their water bills, and to answer any remaining questions that Aquarion's Stamford, New Canaan, and Ridgefield customers may have, we are hosting three additional public hearings. The details for those hearings are:

- September 25, 2007 at 7:00 p.m. at the New Canaan Town Hall Auditorium, 77 Main Street, New Canaan, CT.
- September 26, 2007 at 7:00 p.m. at the Stamford Government Center Cafeteria, 888 Washington Boulevard, Stamford, CT.
- October 9, 2007 at 7:00 p.m. at the Ridgefield Town Hall Large Conference Room, 400 Main Street, Ridgefield, CT.

You are also welcome to provide comments at the hearing or in writing via e-mail addressed to dpuc.executivesecretary@po.state.ct.us or by writing to the Department of Public Utility Control, 10 Franklin Square, New Britain, Connecticut 06051. Please refer to Docket No. 07-05-19 on all customer correspondence. For more information on schedules and locations only, you may call the DPUC, toll-free, at 800.382.4586.

We sincerely hope the information above serves to clarify the proposed rate increase for our Stamford, New Canaan, and Ridgefield customers, and we look forward to hearing from our customers at the upcoming public hearings.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles V. Firlotte".

Charles V. Firlotte
President and Chief Executive Officer