

**City of Groton Utilities Commission
Annual Report for the
Fiscal Year Ending June 20, 2013**

Groton Utilities completed another year of its journey into its second century of enhancing its reputation as “The Ultimate Utility.” During fiscal year 2012-2013, the company’s Water and Electric divisions continued to meet the challenges of an ever changing economic and regulatory environment by serving our customers and our community.

The Electric Division continued upgrading its electrical infrastructure to meet the demands for reliable electric service in the face of ever increasing challenges.

The Water Division continued supplying not only Greater Groton, but also our neighboring communities with quality water via the trans-Thames River water transmission line.

Thames Valley Communications (TVC), our Cable Division, which served all of Groton, Gales Ferry, Stonington and Pawcatuck south of I-95 to the Rhode Island border, was sold to a private investment firm in February.

Groton Utilities’ efforts, resources and energies were targeted and concentrated on delivering superior customer service.

Electric Division Upgrading Its Infrastructure

During the past fiscal year, the Electric Division has been hard at work upgrading and improving the electric distribution system infrastructure. The various infrastructure improvement projects are designed to increase service reliability, increase capacity for future load growth and provide our customers with a level of service that is second to none. Costs associated with the Electric Division’s infrastructure improvement projects were approved by the Utility Commission and City Council.

The following projects have been completed or are in progress:

Voltage Conversion - Construction has started in the Pleasant Valley Road area in the Town of Groton for the final phase of the voltage conversion project. Navy Housing, Military Highway and Route 12, north of Interstate 95 are the areas remaining. The purpose of the voltage conversion project is to replace aging equipment, reduce the number of electric substations and extend the distribution feeders. The voltage conversion project will continue until the entire Groton Utilities distribution system has been upgraded from 8.32 kV to 13.8 kV.

Stockhouse Road Substation – Located in Bozrah Connecticut, Groton Utilities personnel installed a third distribution feeder in order to improve reliability by reducing the number of customers that are supplied power on one circuit feeder.

Tree Trimming – The number one cause of power interruptions in the Groton and Bozrah service territories are tree branches or trees falling on the lines. Groton Utilities employees a full time tree crew in each service territory to significantly reduce the number of service interruptions.

Wildlife Protection – In a never ending battle, Electric Operations personnel continue to install various types of animal protection equipment on power lines, overhead transformers and substation equipment. The goal is to reduce power interruptions and protect wildlife.

Smart Meters - As part of the smart grid meter upgrade project, Electric Operations personnel have installed 11,123 customer meters in Groton and all 2,632 residential meters in Bozrah Light and Power

Company's service territory. Smart meters are capable of sending meter reads via radio to the master controller at the Municipal Building. The project is scheduled to be completed in 2014.

Reliability Statistics – Over the last 12 months, power was available to our Groton customers on average 99.9953% of the time. Only 24.91 minutes on average for all customers was power not available. When a power outage did occur, Electric Operations personnel restored power on average in 71.41 minutes.

Water – A Most Precious Resource

The Water Division maintains its tradition of quality water and continues to look for ways to improve it. This is a daily challenge for ***Groton Utilities'*** Water Division. Protecting our water sources, purification, maintaining our water distribution system, and providing water-testing services to insure the quality of the finished product and to ensure regulatory compliance, while planning for the future continues to be Groton Utilities Water Division daily goal.

Compliance is not only a daily goal, but also a continuing challenge. The Division is 100 percent regulatory compliant. We also evaluate proposed regulations and plan for the future how best to serve our customers.

From the time nature delivers rain into the five surface water sources, through the processing of the water at the Water Treatment Plant, to the journey through miles of water mains ending at the customer's tap, Water Division personnel work many hours and perform a multitude of tasks. The average customer does not see much of this work.

Consider that during the past fiscal year, the Water Division pumped an average of 6.0 million gallons of treated water a day to 6,000-metered customers. These metered customers represent a population of more than 40,000 persons in the City of Groton, parts of the Town of Groton, Groton Long Point, and the Noank Fire District, a large section of the Towns of Ledyard, Montville, and the Mohegan Tribal Authority. To insure accurate readings, there is a current and a continuing program to upgrade and test water meters.

In addition to normal Water Treatment Plant operations, Water Division personnel are also faced with those inevitable maintenance and repair problems such as cleaning clarification basins, overhauling pumps, replacing valves, servicing electric motors and controls and maintaining the operational readiness of the emergency generators. Operators also provide services to neighboring Water Companies. Water Division personnel patrol the 15-square-mile watershed, maintain the facilities, and conduct an annual survey to check for potential pollution threats to the water source.

Employee Training - Employees in the Water Division are required to maintain state mandated certification by completing training courses during the year. We collaborate with Ella Grasso technical High School with a paid internship program. Some of the interns actually apply for and are successful at becoming full-time employees.

Regulatory Reports - Each year the Water Division files reports with its regulators. In addition, we file a Sara Title II Report (Stored Chemicals and Fuel) and Risk Management Plan with the EPA and Local Emergency Responders.

Maintenance and service of the over 100 miles of pipe network and appurtenant equipment in the water distribution system is a continuing project. Water distribution personnel are responsible for fire hydrant maintenance, piping replacement, flushing water mains and sewer collection system maintenance. They have also performed installations, water main and water services repair work, cross-connection and backflow services outside ***Groton Utilities'*** service area on a fee basis.

Water Quality Is Our Primary Concern - An important key to water quality is testing. The Water Division has a state certified laboratory, which monitors the water quality to insure that the Water Division is complying with all state and federal regulations. The Division's Laboratory has branched out and is performing lab-testing services on a fee basis for other water systems, including Groton Long Point, New London, Noank, Town of Groton and recently added Town of Ledyard, non-transient non-community and transient water systems.

Groton Utilities on behalf of its Water Division mailed a special water quality report to its water customers during the month of June. The official name of this report is the Consumer Confidence Report. The U. S. Congress revised the Safe Drinking water Act in 1996, requiring public water supply systems to send annual water quality reports to all of their customers. The report details the water quality test results for calendar year 2012.

Water Test Results Outstanding - The Water Division has an outstanding record. There have been no violations of the federal and state standards for safe drinking water by the Water Division. **Groton Utilities** strives to exceed these standards.

Collaboration and cooperation with local and area schools are ways to educate our future water users and develop an appreciation for this valuable resource. The Water Division collaborates with the Ella T. Grasso Technical Vocational School Bio Educational Technical Program during the school year and shares relevant information as it relates to programs in the classroom and in the field. The Water Division makes in-class presentations to the Groton Schools and works with Ledyard on its Vo-Ag Program. The Water Division has cooperated with Groton School system teacher education and with the U. S. Coast Guard Academy engineering students.

Present and Future Project Updates - As identified in our Water Supply Master Plan, we continue to evaluate upgrades to our existing water treatment plant for regulatory compliance, energy efficiency, treatment optimization and reliability.

Groton Utilities is moving forward with engineering work for improvements to our water treatment Plant.

This year, we continued our source water-monitoring program so that we can optimize water treatment.

Compliance - **Groton Utilities** had the challenge of complying with another new drinking water regulation this year, the Unregulated Contaminant Monitoring Rule (UCMR2). We were able to continue our excellent record of compliance by completing quarterly testing for 25 new contaminants and submitting results to the Environmental Protection Agency. None of the contaminants tested for were detected in our water.

At Your Service

Groton Utilities is providing its customers with a second century of outstanding service. The men and women on **Groton Utilities** winning team will continue to be "***At Your Service***" with a winning attitude and superior customer service that exceeds your expectations.