



OCC's Settlement with Heritage Village Water Company Approved by PURA

On April 29, 2015, the Public Utilities Regulatory Authority (PURA) approved a Settlement Agreement between the Heritage Village Water Company (HVWC) and the Office of Consumer Counsel (OCC) in Docket No. 14-11-07, *Application of Heritage Village Water Company to Amend Rate Schedules*, that reduces the rate increases sought for HVWC's water and sewer divisions. Rather than the \$959,941 or 67.2% sewer division rate increase sought in the Company's revised exhibits, the Settlement Agreement allows for a phase-in of the rate increase associated with the required sewer treatment plant upgrade. As a result, HVWC sewer division revenues will increase by \$621,926 or 46.1% in Rate Year 1 and \$761,942 or 55.5% in Rate Years 2 – 4. For the water division, rather than the \$106,341 or 5.1% increase proposed in the Company's updated filing, the Settlement Agreement calls for no water division increase in Rate Year 1 and a modest \$69,092 or 3.8% rate increase in Rate Year 2. For each division, a Revenue Adjustment Mechanism and Earnings Sharing Mechanism were approved as part of the settlement.

HVWC's Water Division provides water service to more than 4,500 customers in the Towns of Southbury, Middlebury and Oxford, Connecticut. The Sewer Division provides sewer service to 3,040 customers, all of which are located in Southbury in the Heritage Village Condominium Development as well as adjoining residential developments.