August 1, 2022

Dear valued customer,

Seasonally-induced episodes of discolored water have created incredibly challenging times and we wish to thank our customers for their understanding and support. While the water is safe to drink, the color is concerning.

## Why is the discoloration happening?

Our source is a surface water reservoir. As summer approaches, the surface water warms up, and this, along with new storm patterns affects the water's chemistry. Is this phenomenon related to climate change? It certainly is. Global warming is here.

Clean water is a fundamental environmental and societal necessity, but climate change and its effects have created very challenging circumstances for water utilities and we are not alone. Across the Northeast and in other Massachusetts towns including Webster, Shrewsbury, West Boylston, Hull, Norton, Hanover, North Reading, Scituate and Southbridge are among the other towns in Massachusetts that have been impacted by manganese. And while manganese is a natural-occurring mineral and can create discoloration in water, it is not a pathogen.

Unfortunately, there's no quick and easy fix for this problem due to approvals required by the Massachusetts Department of Environmental Protection (DEP); and Massachusetts Department of Public Utilities (DPU) – our regulators.

Our team of consultants have collected and analyzed volumes of data and developed a scientific-driven solution to address the manganese. These findings and improvement plans have been shared at several of our informational meetings. Now, we'd like to share our plans moving forward.

### What can we do to fix it? What will it cost?

On May 20, 2022, we submitted a pilot proposal to DEP and received approval today to begin the study. Our engineers are confident that the greensand filtration system that they've proposed will solve the discolored water situation. Once we successfully complete the pilot study and get approval for the project, we'll petition the DPU for approval to finance the project.

The work is scheduled to take place during two phases. The first phase will focus on the Manganese and the second on public safety.

#### Phase 1:

- installation of a new greensand filtration system
- construction of a 2,000 square-foot building to house the new system
- generator
- increase personnel to operate new treatment system
- collaborate with the Great Barrington Fire District (GBFD)
- create system resilience by establishing an interconnection with GBFD
- explore additional water sources

## Phase 1 cost estimate \$1.75-2.0M

### Phase 2:

- update 2021 hydraulic study
- install new 200,000-gallon storage tank at elevated location on High Street
- address any potential remaining fire flow issues
- continued attrition replacement of piping and hydrants

# Phase 2 cost estimate -- \$2.0M

Providing our customers with safe and reliable water is expensive and implementing such an ambitious capital program to renew key components of our water production and distribution systems will cost at least \$4.0 million.

So, what does this mean to the customer? It means that customers who currently pay the minimum \$44.73 per month can now expect to pay an additional \$45 per month. This will increase their annual charge from \$537 to \$1,020. Nearby Egremont has similar charges.

We sincerely hope you understand that our number one goal is to provide you with the safest water possible. We're living in challenging times and we all need to do our part to ensure that our water sources are efficient, reliable and well managed. It's a shared responsibility and one that we take very seriously.

Please contact us with questions and we will work to address your concerns as much as possible. We look forward to continuing to serve you and appreciate your cooperation while we update and renew our equipment and services.

Sincerely,

James J. Mercer

Treasurer