

CALENDAR OF EVENTS

As our year-long 100th anniversary celebration continues, GU invites you to attend the Groton Holiday Parade on December 4.

We are sponsoring this community event as a festive way to kick off the holiday season and continue celebrating our vibrant history. (Check www.grotonutilities.com for full details.) We hope you are able to join us!

In our next Special Anniversary newsletter, look for photos from other special events we held this Fall: Public Power Week, Customer Service Appreciation Week, and the Chamber of Commerce of Eastern Connecticut, Inc. Business After Hours event.



As always, we thank you for all of your support and enthusiasm during GU's anniversary year.



GROTON UTILITIES

295 Meridian Street



Photo by Roger Riley

Director of Utilities Glenn Wilson presents plaque to Nolan Nixon renaming the Community Service Award to the Jacqueline B. Nixon Community Service Award, in honor of his late wife.



Photo by Roger Riley

Earle Williams (center, between his daughter and wife), the recipient of the first Jacqueline B. Nixon Community Service Award, for his dedication to scouting.

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Early

CONNECTIONS

1964-1994

GROTON UTILITIES 100 YEARS OF GIVING BACK TO THE COMMUNITY

VOL. 3 OF 4

GROTON UTILITIES

FALL 2004

GU's History, 1964 - 1994 *Preparing for the Future*



GROTON UTILITIES

GROTON UTILITIES' history is filled with risk, hard work, foresight, and dedication. As we saw in our first two newsletters about the "early connections" of Groton Utilities, the company was a leader in the whole new industry of public utilities. GU laid Groton's first pipes and built its electrical infrastructure from the ground up. It faced rapid growth for large customers including Pfizer, Electric Boat, and the Navy base. The company also dealt with major natural disasters, world wars, and an overall changing community. However, GU was able to keep up with the huge increases in demand and technological advances by always focusing on quality customer service.

As we now take a look at the last decades of the 20th century, specifically 1964-1994, we see GU continuing to face many issues related to growth. Through a variety of means, GU focused on finding new ways to provide low-cost public utilities with exceptional service to each of its customers.

One huge milestone for the company was building the Morgan Pond Reservoir in Ledyard in 1965 – a move that was crucial to keeping up with water demands from Pfizer and other business customers.

Groton Utilities worked for several years to build this new reservoir, which meant relocating a cemetery from the property. Realizing the sensitivity of this, GU spent several years contacting every living descendent of those buried at the existing cemetery for approval to move the



A view of Ledyard Reservoir from atop the Morgan Pond Reservoir Dam in Ledyard.

graves. Once all families were in agreement, GU built the new cemetery on Sandy Hollow Road with beautiful surrounding stone walls.

Another big change came to GU in 1966 when the company moved into the newly built municipal building. This new complex gave them increased room and better integrated them with other departments servicing the City of Groton.

GU faced one of its greatest industry-wide crises in October 1973 when OPEC instated an oil embargo against the U.S. This greatly affected all utilities – and the nation as a whole – and caused rates to rapidly rise and become more difficult to gauge. In response to this situation, GU took on the leading role in creating the Connecticut

Municipal Electric Energy Cooperative (CMEEC) in 1976.

CMEEC is a co-op of six municipal electric utility companies in the state. Working together, CMEEC gives municipalities more security of knowing where their power is coming from, and at what cost – all key for planning and setting rates. GU's former director of utilities, Mr. William Clinton, was a key figure in creating CMEEC and served as one of its presidents in the early years, and former Manager of Utilities Julio H. Leandri is currently Chairman of the Board.

During this same time, Connecticut Light & Power (GU's power supplier) increased its rates. Since these rate increases

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Preparing for the Future

(cont. from page 1)

were so steep and unusual for the industry, Mr. Clinton went to the Federal Power Commission in Washington seeking a sizable refund from CL&P. In the early 1980s, GU finally met with success – and the company was able to issue nearly 8,000 refund checks (personally signed by Mr. Clinton) to each of its electric customers.

During the 1980s and early 1990s, GU expanded the Wyman Gordon Substation (originally known as the Arwood Substation) in 1988, made additions to Trails Corner in



Trails Corner Substation prior to the addition in 1992.

1992, and completed a major addition to the Buddington Substation in 1993. Also in 1993, GU built the new Perkins Corner Substation to handle rapid residential and industrial growth from the area north of I-95.

In July 1989, Mr. Alexander B. Chisholm took the reins of the company over from Mr. Clinton, who had been with GU since 1950. The transition in leadership was a smooth one as Mr. Chisholm had worked closely with Mr. Clinton in the management of the utility.

Throughout its first 90 years in business, GU displayed great dedication to utilities service and the people of the City of Groton. The company always looked for answers to every situation it faced in this burgeoning industry, and always put the customer first.

In the next (and final) issue of our anniversary newsletter series, we will look at the last decade of GU's history – 1994-2004. These 10 short years have been among the most exciting, diverse, and challenging for the company. It will be the last glimpse of our first century in business – and a look at how we're preparing for the next century together.

Director's Message: *Changing with the Times*

GROTON UTILITIES HAS a long history of going the extra mile and doing what's needed to get the job done, meet demand for water and electricity, and keep customers satisfied. Throughout our 100-year history, we've worked together as a team and as a community to find ways to handle growth and change with the times – and to keep building on our "early connections."

This newsletter, which focuses on the later years in this century, offers some great examples of steps we've taken to strategically grow as a major public utility in Connecticut. We faced each challenge – from needing new reservoirs and power substations to coping with the oil embargo crisis of the 1970s – by focusing on you, our customer, and on how we can best be "At Your Service."

As we enter the last few months of our year-long celebration, we invite you to join us at the annual Groton Holiday Parade on December 4. This is one more chance for us to come together as a community, look



back on our history, and think about the great things to come. Details are found on the back page of this newsletter and on www.grotonutilities.com.

Thank you for your continued support during this very special anniversary year.

Sincerely,
Glenn M. Wilson
Director of Utilities

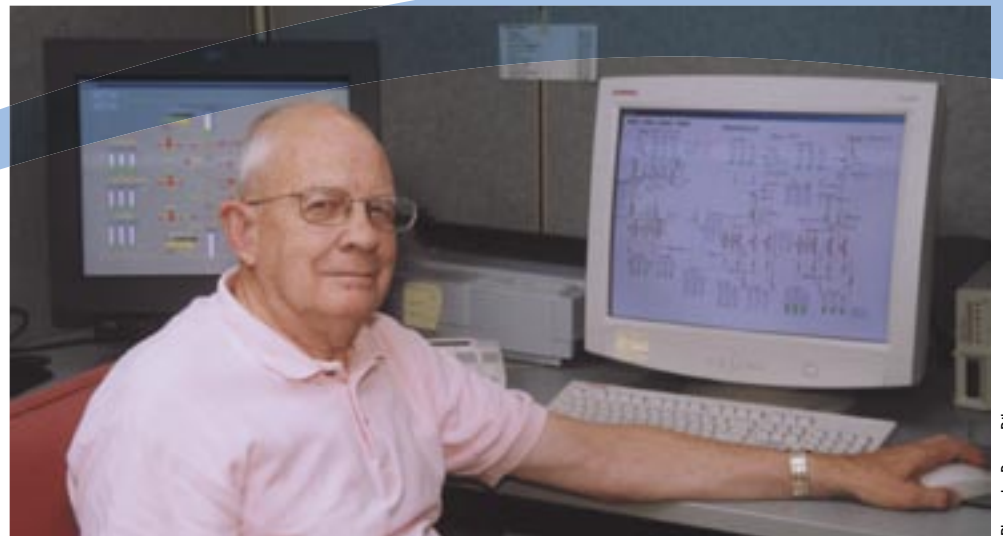


Photo by Roger Riley

FOR NEARLY HALF OF GROTON UTILITIES' 100-YEAR HISTORY, WARREN OTT has been a familiar face that has contributed to the operations and expansion of the company. Warren started at GU in 1955 in the business office where, among other duties, he calculated the industrial and commercial customer bills by hand. After about 10 years, he transferred to the engineering department. In the 1980s, GU began to design and construct its own power substations. Warren played a role in the expansion of the Arwood/Wyman Gordon Substation and the construction of the new Perkins Corner Substation, which was built to handle increased loads from the area north of I-95. Warren also helped design and build additions to the Trails Corner and Buddington Substations. Although Warren officially "retired" in 1996, he has been working at GU since then as a self-employed electrical consultant. "I'm proud to have the opportunity to work for the City of Groton and feel they offer a great service to customers," Warren says. "I've never thought of working anywhere else."



CONNECTING WITH ELECTRIC BOAT

SINCE 1951, GROTON UTILITIES has been providing water and electric services to Electric Boat, the premier builder of nuclear submarines for the U.S. Navy. From the time it launched the world's first nuclear sub, the Nautilus, in 1954, Electric Boat has established standards of excellence in the design, construction and lifecycle support of submarines for the Navy.

Needless to say, Electric Boat's reliance on water and electricity is absolutely crucial to the success of all the activities it undertakes at the Groton-based shipyard.

To properly and efficiently service Electric Boat, GU has established strong ties with the company's Facilities Engineering Department. GU keeps in close communication with this department primarily through Mr. Tom Lane, Electric Boat's Facilities Engineering Supervisor, alerting the team of any water or electric work that may affect their service or that may show up on their security monitors.

"By communicating so regularly with us, GU keeps us informed as to what's going on with upgrades, repairs, or other situations so we can prepare appropriately," Mr. Lane says. "And, when we do encounter problems in our service, GU always responds quickly."

Mr. Lane cites a recent example of GU's response to an unexpected situation. Earlier this year, one of the cylinders in a graving dock opened up while a submarine was docked there. EB needed to quickly stabilize the dock and remove the submarine from the dock. GU immediately came to EB's assistance to help coordinate the flooding of the dock with GU water – the only way they could remove the sub and resume business as usual.

"We really benefit from the business structure and service we receive from Groton Utilities," Mr. Lane says. "They are extremely customer focused, highly cost-effective, and truly understand the importance of one-on-one relationships. I know I can contact GU at anytime to discuss a problem, concern, issue or idea. And from our history, I know GU will listen and respond."

PROFILE:

Alexander B. Chisholm, Former Director of Utilities, *Takes Road From Consultant to Director*



Many employees at Groton Utilities have long careers at the company. Some, however, come to GU later in their careers – and still manage to make a lasting impact. Mr. Alexander B. Chisholm, GU's former director of utilities, is one such executive. Born and raised in Nyack, New York, Mr. Chisholm came to GU after a career of nearly 30 years in utilities management.

After serving in the Navy and graduating from Pace University in New York City, Mr. Chisholm worked at Orange and Rockland Utilities, Inc., an electric and gas utility that served New York, New Jersey and Pennsylvania, where he worked his way up to vice president of customer service and, finally, vice president of administration.

In 1985, he joined Stone & Webster Management Consulting in New York City and that led him to Groton Utilities, which became a client of the firm in 1986. Following a management audit on GU, he became a site advisor to Mr. Clinton. In 1988, he joined GU as manager of utilities, and was named director in July 1989.

With Mr. Chisholm's background in strategic planning, he knew if GU did not set strong business goals and think about its long-term future, it could be in jeopardy of being acquired or of losing its edge on competitive rates. Groton's City Council directed Mr. Chisholm to run GU as a business, not just another department. So, he developed a mission statement ("To be the premier utility provider in the Northeast") and introduced a new logo for GU in order to create a special brand and unique recognition.

The company began to look at acquisitions for the first time in its history. GU's first purchase was Bozrah Light & Power in May 1995 – a successful move that increased revenues to the company and expanded territory. Additionally, GU

bought Manitock Springs Bottled Water Company, which was sold several years later at a profit. And, the company started laying the framework for Thames Valley Communications.

To get a better gauge on customer satisfaction, Mr. Chisholm spearheaded a customer survey in 1997, the findings of which were overwhelmingly positive and reinforced GU's approach to the cable television business. "Our residential customers were happy with the services we provided and thought our rates were competitive," Mr. Chisholm says. "And, our business customers said they saw us as more than a traditional utility – they saw us as a company that thinks outside of the box." Mr. Chisholm credits the GU employees with these positive survey results. While he believes the customer is the most important asset, he knows the employees are definitely the most valuable resource. Mr. Chisholm also offers a special thank you for the support and guidance of Commissioners Leandri, Stark and the late Messers. Donatelli and Norris.

In 1995, Mr. Chisholm worked to expand the community's involvement with GU through sponsorships of business events and civic-oriented projects. In addition to serving as a member of the Board of Directors for the chambers of commerce in New London and Norwich, he was instrumental in implementing community-minded strategies.

Mr. Chisholm also served on the boards of directors at CMECC and at the New England Public Power Association.

Mr. Chisholm and his wife now are enjoying retirement in Florida.

"GU was a very rewarding experience for me," Mr. Chisholm says. "It was a great ending to a long career in public utilities and it gave me the opportunity to make a lasting difference in a company and a community that I will always hold dear."