



**Connecticut Water Service, Inc.****CTWS NASDAQ**

Utilities - Water / Others

Market Capitalization USD:

\$217.76 mm**CONCERN LEVEL: LOW**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration. 
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Eric W. Thornburg**Age: 52****CEO Since: 2006**

	2009	2010	2011
Base Salary	\$345,000	\$356,644	\$365,794
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$0	\$0	\$0
Benefits and Perquisites	\$13,344	\$12,002	\$12,278
TOTAL ANNUAL COMPENSATION	\$358,344	\$368,646	\$378,072
Increase in Post-Retirement Benefits	\$77,922	\$114,237	\$169,164
Stock Option Awards	\$0	\$0	\$0
Stock Awards	\$237,607	\$269,288	\$274,674
TOTAL COMPENSATION	\$673,873	\$752,171	\$821,910
Median of Other Named Executive Officers Total Compensation	\$410,093	\$436,214	\$523,666
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$80,906	\$111,534	\$214,472
TOTAL REALIZED EQUITY COMPENSATION	\$80,906	\$111,534	\$214,472

Proxy Date: 26 Mar 2012

Annual Meeting Date: 10 May 2012

Equity Reserves: 10.18%

Stock Option Run Rate:

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Performance Comparison

■ S&P500 ■ Industry ■ CTWS



Peer Comparisons (TRBC) =Utilities - Water / Others

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
CTWS	Connecticut Water Service, Inc.	\$673,873	\$752,171	\$821,910	\$217,756,440
AWR	American States Water Company	\$1,003,796	\$1,114,048		\$633,975,671
SJW	SJW Corp.	\$1,396,575	\$1,798,017	\$2,242,807	\$404,435,005
MSEX	Middlesex Water Company	\$459,146	\$623,167		\$266,604,671
YORW	York Water Company (The)	\$329,989	\$451,240	\$568,996	\$206,228,030
ARTNA	Artesian Resources Corporation	\$572,131	\$636,301		\$133,065,581
CDZI	Cadiz Inc.	\$748,760	\$2,324,641		\$112,265,633

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

AMERICAN STATES WATER Co., AMERICAN WATER WORKS Co., AQUA AMERICA INC, ARTESIAN RESOURCES - CL A, CALIFORNIA WATER SERVICE GP, MIDDLESEX WATER COMPANY, PENNICHUCK CORPORATION, SJW CORP, UIL HOLDINGS CORP, YORK WATER COMPANY

Performance Peer Group

AMERICAN STATES WATER Co., AMERICAN WATER WORKS Co., AQUA AMERICA INC, ARTESIAN RESOURCES - CL A, CALIFORNIA WATER SERVICE GP, MIDDLESEX WATER COMPANY, PENNICHUCK CORPORATION, SJW CORP, UIL HOLDINGS CORP, YORK WATER COMPANY

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
David A. Lentini	Chairman	65	Male	11	Outside Related
Heather Hunt	Member	46	Female	6	Outside
Lisa J. Thibdaue	Member	59	Female	12	Outside Related
Mark G. Kachur	Member	68	Male	10	Outside Related

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