

EAST NORTHFIELD WATER COMPANY

March 17, 2022

Re: Future of the East Northfield Water Company

Dear Customers:

I am writing to provide you with an update on some important developments designed to secure the long-term provision of water to East Northfield water customers. We want you to be fully aware of the efforts now underway to establish the East Northfield Water District (the "District") and transition to it the assets and operations of East Northfield Water Company ("ENWC"). We recommend this transition for the reasons explained below, and I am happy to report that substantial preliminary progress has already been made toward the goal.

The benefits of a transition to the District include:

- The District will have access to grants and low-interest rate loans from the US Department of Agriculture (all unavailable to ENWC) to support capital improvements, repairs, service enhancement and expansion.
- Local control over the operations and rates of the District through elected, local water commissioners.
- Reduction in taxes on assets and operations.
- Assurance of more reliable service, including the potential installation and operation of a new filtration system and initiation of other capital improvement and repairs.
- Ability to meet the increasing needs for water service in the community from the growth of Thomas Aquinas College, The Moody Center and the addition of new residential customers, thereby spreading the costs of operation over a larger customer base.

This transition will be made possible through the ongoing coordinated and cooperative efforts of State Senator Jo Comerford, Northfield Town Administrator Andrea Llamas, Thomas Aquinas College Chief Financial Officer Dennis McCarthy, Andrew Evans of Rcap Solutions, Thomas Baxter, a former senior water system administrator in New Jersey and the undersigned. A full presentation to establish and fund the District was prepared and submitted to the Northfield Selectboard on February 22. Although no formal vote was taken at the time, the board approved proceeding with the initial steps necessary to create the District.

Specifically, we anticipate continued valuable guidance from Senator Comerford as enabling legislation is presented for consideration by the Legislature. Northfield's town counsel, Attorney Jeffrey Blake, KP Law, is drafting local legislation. Mr. McCarthy is updating financial projections for the operation of the District. ENWC is preparing a term sheet specifying the key steps needed for the transition to the District. Mr. Evans is continuing to advise on funding for the District and has provided very encouraging advice about grants and loans available, principally from the US Department of Agriculture, to insure safe, reliable water in the future.

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ENWC is also exploring water filtration using a new cost-effective system. This system compares favorably to the multi-million-dollar cost estimates provided two years ago for a large, new building and filtration system, which ENWC is financially incapable of funding. Use of this new system will require Massachusetts regulatory approval as it is not presently in general use in the state.

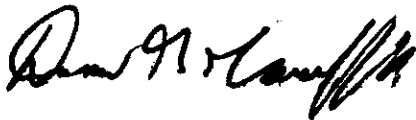
The District and ENWC will be prepared to address expanding needs for water in Northfield for the continued expansion of Thomas Aquinas College and The Moody Center. ENWC will also solicit bids to replace and extend its Pierson Road 6" Main and the deteriorated Linden Avenue 2" line.

To assure the prompt completion of all steps necessary for the transition to a Water District, the various entities that have been working on this are planning a presentation and discussion at the March 21st Finance Committee meeting, along with other Town Boards and Committees, to discuss relevant town impacts. This will be followed by an April 6th presentation and informational meeting for Town residents before the May 2nd Annual Town Meeting.

I encourage you to attend the April 6 informational meeting and to support the creation of the District. Only such a district is eligible to receive grants and loans from the US Department of Agriculture, as they are not legally available to business corporations such as ENWC. The operation and finances of a District will be controlled by your elected Commissioners.

Please do not hesitate to contact me at 413-498-3159 if you have any questions or concerns. Kindly leave a voice message and it will be returned as soon as possible.

Sincerely,



Donald G. Glascoff, Jr.

President

cc: U.S. Representative James McGovern, Attn. John Swords
Senator Joanne M. Comerford
State Representative Paul W. Mark
Brian D. Harrington, DEP Deputy Regional Director
Mark D. Marini, Secretary DPU
Jonathan Goldberg, General Counsel, DPU
Nathan Forster, Attorney General's Office
Andrea Llamas, Northfield Town Administrator
Dennis McCarthy, VP, Thomas Aquinas College
Andrew Evans, RCAP Solutions
Thomas Baxter