

# CONNECTICUT WATER SERVICE INC / CT

## FORM 8-K (Current report filing)

Filed 12/10/12 for the Period Ending 12/10/12

Address	93 W MAIN ST CLINTON, CT 06413
Telephone	8606698630
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Industry	Water Utilities
Sector	Utilities
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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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**FORM 8-K**

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**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**Date of report (Date of earliest event reported): Dec. 10, 2012 (Dec. 10, 2012)**

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**Connecticut Water Service, Inc.**

(Exact name of registrant as specified in its charter)

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**Connecticut**  
(State or other jurisdiction  
of incorporation)

**0-8084**  
(Commission  
File Number)

**06-0739839**  
(IRS Employer  
Identification No.)

**93 West Main Street,  
Clinton, Connecticut**  
(Address of Principal Executive Offices)

**06413-0562**  
(Zip Code)

**(860) 669-8630**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions ( *see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Completion of Acquisition of Biddeford and Saco Water Company

As previously reported, on July 18, 2012, Connecticut Water Service, Inc. (“CTWS” or “Connecticut Water”) announced that it had reached an agreement to acquire the Biddeford and Saco Water Company (“BSWC”), pending a vote of BSWC shareholders, approval by the Maine Public Utilities Commission (“MPUC”) and the satisfaction of other various closing conditions, pursuant to the terms of that certain Agreement and Plan of Merger dated July 18, 2012 (the “Merger Agreement”) between and among BSWC, CTWS, and OAC Inc., the Company’s wholly-owned Maine subsidiary (the “Merger Sub”). BSWC serves approximately 15,500 customers in the State of Maine in the communities of Biddeford, Saco, Old Orchard Beach and Scarborough.

Under the Merger Agreement, the acquisition will be executed through a stock-for-stock merger transaction valued at approximately \$11.4 million. Holders of BSWC common stock will receive shares of CTWS common stock in a tax-free exchange. In addition, including the assumption by Connecticut Water of approximately \$8.4 million in debt of BSWC, the transaction reflects a total enterprise value of approximately \$19.8 million.

On November 7, 2012, Connecticut Water received regulatory approval from the MPUC to proceed with the transaction. The shareholders of BSWC voted to approve the acquisition on December 10, 2012.

Effective December 10, 2012, Connecticut Water completed the acquisition of BSWC by completing the merger of the Merger Sub with and into BSWC, with BSWC as the surviving corporation, pursuant to the terms of the Merger Agreement and Maine corporate law. Upon the effective time of the Merger, the holders of BSWC’s 121,100 issued and outstanding shares of common stock became entitled to receive an aggregate of 380,254 shares of CTWS common stock in a tax-free exchange, which exchange will be commenced promptly by the issuance of a letter of transmittal and related materials by Connecticut Water’s exchange agent.

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News Release

On December 10, 2012, Connecticut Water issued a press release describing the completion of its acquisition of BSWC. A copy of the press release dated December 10, 2012 is filed herewith as Exhibit 99.1 and is hereby incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

The following document is filed herewith as an exhibit hereto:

(d) Exhibits

99.1 Connecticut Water press release regarding the completion of Connecticut Water's acquisition of the Biddeford and Saco Water Company, dated December 10, 2012, is filed herewith.



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EXHIBIT INDEX

Exhibit No.

Description

99.1

Connecticut Water press release regarding the completion of Connecticut Water's acquisition of the Biddeford and Saco Water Company, dated December 10, 2012, is filed herewith.



**News Release**

**Connecticut Water Service, Inc. Completes Acquisition  
of the Biddeford and Saco Water Company**

**Clinton, Connecticut, December 10, 2012** — Connecticut Water Service, Inc. (NASDAQ: CTWS) (the “Company” or “Connecticut Water”) announced today that it has completed the acquisition of the Biddeford and Saco Water Company (BSWC). Shareholders of BSWC exchanged their stock for CTWS stock in a transaction with an enterprise value of \$19.8 million. BSWC serves nearly 15,500 customers, or a population of 50,000 people, in 4 communities in the state of Maine.

In less than 12 months, CTWS has grown its customer base by 35 percent through acquisitions in the state of Maine. In January 2012, CTWS acquired The Maine Water Company, formerly known as Aqua Maine, Inc., that serves 16,000 customers, or 48,000 people, across the state of Maine, and less than 12 months later it has acquired BSWC. Overall CTWS, through Maine Water and BSWC serves more than 31,000 customers, or a population of nearly 100,000 people, in Maine, and 90,000 customers, or 300,000 people, in Connecticut through The Connecticut Water Company.

According to Eric W. Thornburg, CTWS’s Chairman, President and Chief Executive Officer, Biddeford and Saco Water Company will benefit from being a part of New England’s fastest growing water utility company. He states, “CTWS has the financial resources to fund the infrastructure investments that are necessary to ensure that a reliable supply of high-quality water is delivered to customers in Biddeford, Saco, Old Orchard Beach and Scarborough. Prior to today’s acquisition, BSWC did not have the financial strength to fund infrastructure investments at the same level as CTWS. The acquisition gives CTWS additional economies of scale and further enhances weather and regulatory diversity.”

Judy E. Wallingford, president of Maine Water will now lead BSWC as well. Ms. Wallingford stated, “We are excited to have Biddeford and Saco Water join the Maine Water family. The BSWC employees are being retained and customers will continue to be served by the employees at the Biddeford office. In addition, we look forward to working with customers and community leaders to prioritize infrastructure investment and protect water company lands along the Saco River.” She adds, “We are focused on

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leveraging the economies of scale in Maine and seeking opportunities to share staff, resources, systems and services between our Maine operations to provide the best, most cost effective service for customers.”

Mr. Thornburg thanked Jerry Mansfield, the retiring president of Biddeford and Saco Water Company, for his efforts that contributed to a smooth transition for customers and employees with the completion of this transaction less than five months after it was announced. CTWS and BSWC had announced on July 19, 2012, that the companies had reached an agreement for BSWC to merge into CTWS. The MPUC had approved the acquisition on November 7, 2012, and the closing was completed on December 10, 2012.

As called for under the previously announced agreement, the acquisition was executed through a stock-for-stock merger transaction valued at approximately \$11.4 million. Holders of BSWC common stock receive shares of CTWS common stock in a tax-free exchange. In addition, Connecticut Water will assume approximately \$8.4 million in debt of Biddeford and Saco Water Company. The transaction reflected a total enterprise value of approximately \$19.8 million.

CTWS is one of the ten largest U.S.-based publicly-traded water utilities, and is listed on the NASDAQ Global Select Market under the ticker symbol CTWS.

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This news release may contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 regarding the Company’s results of operations, financial position and long-term strategy. These forward-looking statements speak only as of the date of this release and are based on current information and expectations. These forward looking statements are also subject to risks and uncertainties, including our ability to successfully integrate BSWC’s operations, customers and employees and the other risks and uncertainties discussed in our filings with the Securities and Exchange Commission, which could cause the Company’s actual results to differ materially from expected results. We undertake no obligation to update or revise forward-looking statements, whether as a result of new information, future events, or otherwise.