STATE OF CONNECTICUT PUBLIC UTILITIES REGULATORY AUTHORITY

JOINT APPLICATION OF AQUARION : DOCKET NO. 25-04-03

WATER AUTHORITY, SOUTH CENTRAL

CONNECTICUT REGIONAL WATER :

AUTHORITY AND EVERSOURCE ENERGY:

FOR APPROVAL OF A CHANGE OF CONTROL

: JULY 14, 2025

WRITTEN DIRECT TESTIMONY OF CURTIS JOHNSON, ON BEHALF OF SAVE THE SOUND, INC.

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DIRECT TESTIMONY OF CURTIS JOHNSON

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- 4 Q. Please state your name and address.
- 5 A. My name is Curtis Johnson and I live at 53 Jefferson Place, Branford, CT 06405.
- 6 Q. Please summarize your relevant professional background.
- 7 A. I held the position of President of Save the Sound from October 2017 to October 2022.
- 8 As President, I was responsible for the operations of Save the Sound, including planning
- 9 and managing the budget, securing financing, fundraising, and supervising senior
- management. I first joined Save the Sound in 1993 as a staff attorney.
- In addition, for over a decade as Senior Attorney and Program Director, I led Save the
- Sound's water company lands conservation and protection program. This included
- appearing as Save the Sound's counsel in the Department of Public Utility Control
- 14 (DPUC) and Public Utilities Regulatory Authority (PURA) dockets for: approval of the
- acquisition of Aquarion by Kelda, Ltd. (DPUC); approval of the conservation disposition
- and protection of 15,500 acres of water company land owned by Kelda, Ltd. (DPUC); the
- protection of over 1,000 acres of conservation lands owned by N-Star as part of the
- docket approving the acquisition of N-Star by Eversource (PURA), as well as land
- conservation and public passive recreation planning as part of the docket approving the
- acquisition of the Connecticut Water Company by the San Jose Water Company (PURA).
- During that same period of time, I was involved in leading and representing the interests
- of the Connecticut conservation community in helping to negotiate and craft statutory

provisions concerning the sale of Class III water company lands as well as increased statutory protections for Class II water company lands. These included increased notice provisions provided to municipalities and land trusts for the sale of Class III land parcels, Connecticut General Statutes ("C.G.S.") § 16-50d; creation of state corporate tax credits for dispositions of Class III lands for conservation purposes, C.G.S § 12-217dd, and the current statutory program awarding a higher shareholder benefit for conservation land sales of Class III lands, C.G.S. § 16-43(e)(4). Finally, my undergraduate studies at Western Washington State University were in environmental education and field ecology, with a minor in marine sciences. I have served on the board of the Land Conservation Coalition of Connecticut, on the board of the Branford Land Trust, and as the President of the Hamden Land Trust for four years. What is the purpose of your testimony? I will provide testimony on the ecological and recreational value of the open space lands currently held by the Aquarion Water Company ("Aquarion") and specifically in the context of open space land throughout the state. I will recommend that PURA order a process for conserving this land that fulfills the purpose of the strong conservation incentives contained within PURA's statutory directive. In addition, I will urge PURA to ensure that the Aquarion Water Authority ("AWA") mirrors the long standing track record of the Regional Water Authority ("RWA") in conserving as a conservation partner and investor in thousands of acres of privately owned land as open space for the purpose of protecting drinking water supply watershed land for the purpose of protecting our raw

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drinking water resources.

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Q. Please explain the overall value of the open space lands at issue.

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Water companies are the second largest total owners of forested open space of the state, second only to the State of Connecticut. In total, they own far more open space than is owned collectively by all Connecticut based land trusts combined. They own this land in order to protect the integrity of Connecticut's drinking water supply. Open space lands provide many great benefits to Connecticut's residents. Open space adjacent to rivers, particularly forestland, provides water quality benefits and helps to purify and protect water supplies and is statutorily protected by Department of Public Health statutes and regulations because of its public water supply drinking water benefits. In addition, these lands provide critical habitat to wildlife species who depend on larger, contiguous forest blocks of at least 100 acres as habitat. These large forest blocks are increasingly threatened by residential and commercial development. Public outdoor recreation, scenic views and waterfront access are among some of the many other benefits provided by these lands.

Q. Why should these open space lands be a concern for PURA?

A. The proposed transaction, if approved, will result in a change of ownership and management of Aquarion's assets. A newly created AWA could be put under financial pressure and could view its undeveloped open space as a means to lessen its financial pressure. Aquarion's open spaces provide immense benefits for the public, and the development of these spaces would have dire consequences. While the "Centennial Forest" was permanently protected through a conservation land sale approved by PURA in the Kelda Docket of 1999, since that time, Aquarion has acquired well over a dozen

1		additional water companies in Connecticut. Based on information provided by Aquarion,
2		Aquarion owns 352.51 acres of unprotected Class III land and the Torrington Water
3		Company ("TWC"), which belongs to Aquarion, owns 1619.77 acres of unprotected
4		Class III lands.
5	Q.	What other concerns do you have with regard to the change in ownership?
6	A.	The proposed transaction, if approved, will alter the standards and regulations that had
7		previously governed Aquarion's assets. PURA will no longer have jurisdiction and will
8		have no role in overseeing the disposals of Aquarion's assets. The value of watershed
9		lands and the need for adequate measures to protect them has been recognized by the
10		PURA in past proceedings. This is well within PURA's mission as the agency's charge
11		includes ensuring "the prudent management of the natural environment." CGS § 16-
12		19e(a).
13	Q.	What would you recommend to PURA to ensure these valuable open space lands
14		are protected with respect to the potential sale of Class III Lands?
15	A.	I recommend that PURA, as condition of any approval, order the new entity, AWA, to
16		identify and offer to transfer fee ownership at no cost to the state, the municipality within
17		which the parcel is located, or a local or regional land trust (in that order) all Class III
18		land currently owned by Aquarion and TWC that is greater than 10 acres or that provides
19		conservation value to municipalities otherwise lacking sufficient open spaces. I
20		recommend that such transfer be subject to the same conservation easement requirements
21		found in PURA statute Conn. Gen. Stat. § 16-43(e)(4), (f). As one rationale, should the
22		merger be approved, PURA will no longer have jurisdiction over the sale of the Class III

land owned by AWA. Therefore, AWA's assets will not be subject to the powerful conservation sale incentives that today apply to the sales of Aquarion and TWC Class III lands greater than 10 acres as delineated in PURA statute, *see* Conn. Gen. Stat. § 16-43(e)(4). Smaller parcels of Class III land may be of immense importance depending on where the parcel is located. Thus, ordering this focused and limited conservation transfer is consistent with the public policy contained within PURA's current statutory directive and its directive to assure "the prudent management of the natural environment." CGS § 16-19e(a).

What would you recommend to PURA to ensure these valuable open space lands

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What would you recommend to PURA to ensure these valuable open space lands are protected with respect to continued acquisition of lands for conservation and source protection?

I would further recommend that PURA, as a further condition of any approval, require that AWA proportionately adopt RWA's policy of acquiring permanent conservation protection for private lands that become available within its drinking water watershed at a rate consistent with RWA's track record. According to RWA's 2018 report The Land We Need for the Water We Use, "since 1996, [RWA has] invested \$30 million to protect nearly 3,700 acres of watershed land in the region" through both outright purchases and conservation easements. We suspect that RWA has invested and conserved hundreds of additional acres of forested drinking water watershed lands to protect the public's water supply since that time. RWA has often leveraged its conservation acquisition funding by partnering with municipal partners, local land trusts, and state open space funding. RWA's legislative charter includes open space conservation alongside providing safe and

adequate water supply as joint statutory missions. This legacy of protecting and acquiring forested watershed land was forged by an active legislature that granted RWA the power to acquire the privately owned New Haven Water Authority and thereby protect and conserve its drinking water watershed open space largely because the New Haven Water Company threatened to sell of tens of thousands of acres of the forests that surrounded and protected their reservoirs and the streams that fed those reservoirs. To date, RWA has followed this legislative intent and has been a strong conservation partner. We request that PURA require AWA, as a condition of the transfer, to become a proactive conservation partner by investing at a minimum \$1.36 million annually in land conservation acquisitions within its drinking water supply watershed over the next 25 years. This minimum investment represents an equivalent land conservation investment as made by RWA during a recent quarter century.