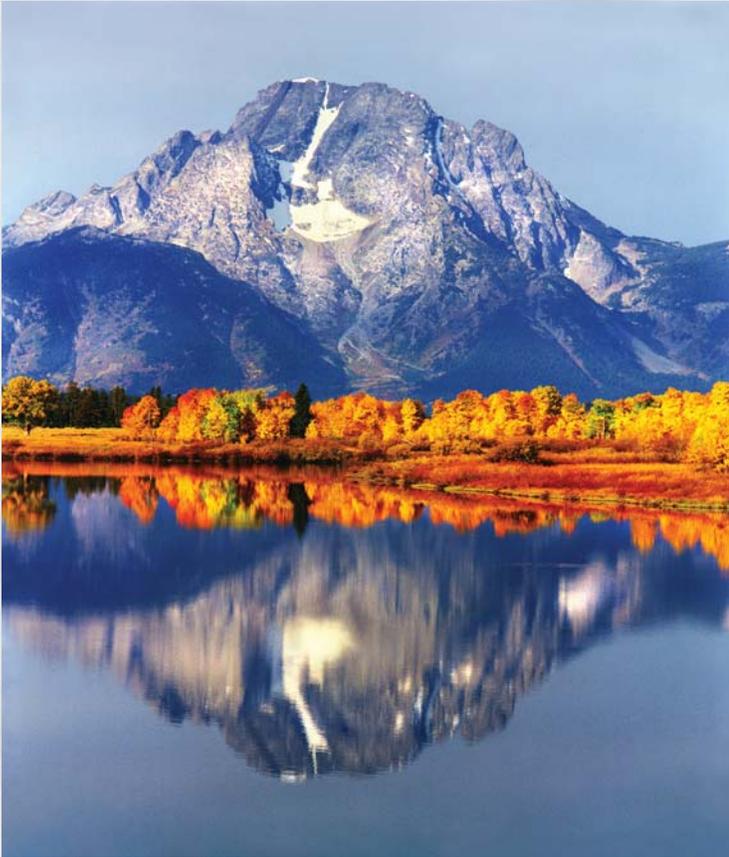


THE 3RD NATIONAL DRINKING WATER SYMPOSIUM & NAWC ANNUAL CONFERENCE

OCTOBER 30 – NOVEMBER 2, 2005



COMMUNICATING VALUE



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THE BROADMOOR
COLORADO SPRINGS
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Invitation

Key water organizations have joined together in developing the 3rd National Drinking Water Symposium, to be held October 30 to November 2, 2005, at The Broadmoor in Colorado Springs. The Symposium will address many of the key issues in the industry, organized within five themes: I. *Enhancing Public Awareness*; II. *Integrated Water Resource Management*; III. *Industry Structure Affects Service*; IV. *Rate Setting and Full Cost Pricing*; and V. *Standards of Service*.

There's no better opportunity to meet with public utility commissioners and staff, key federal and state officials, water utility executives, Wall Street representatives and other stakeholders than there will be at the 3rd National Drinking Water Symposium!

Who Should Attend

Public Utility Commissioners
Commission Staff
Water Utility Representatives
International Water Supply Officials
Federal, State and Local Drinking
Water Officials
Equipment Suppliers and Vendors
Economists
Financial Industry Representatives
Industry Consultants
Consumer Groups
Public Interest Groups
Congressional Representatives
Congressional Committee Staff
Anyone interested in critical water issues

Registration

Registration fees (for attendees and spouses/guests) include the Sunday Welcome Reception; Continental Breakfasts on Monday, Tuesday and Wednesday; Lunch on Monday, and the Closing Reception and Dinner on Tuesday. The deadline for early registration is September 30. Late registration is available up until the start of the event.

Dress

Dress throughout the Symposium and during sponsored events is business casual.

Purpose

The Symposium will bring together the principal stakeholders to explore critical drinking water issues, present examples of selected solutions and exchange ideas for the further development of continued progress.

Sponsors

The National Association of Regulatory Utility Commissioners (www.naruc.org)
The National Association of Water Companies (www.nawc.org)
The Association of State Drinking Water Administrators (www.asdwa.org)
Sponsors are working in cooperation with the U.S. Environmental Protection Agency (www.epa.gov) to help make the Symposium possible.

Conference Cancellation Policy

Written cancellation requests received before October 17 will be honored (less a \$75 processing fee). Substitutions are accepted at any time. There will be no refunds after October 17 without documentation of a medical emergency or flight cancellation. No cancellations by phone will be accepted. If you register in advance and do not attend or cancel, you are still responsible for the full registration fee.

Hotel Reservations/ Cancellation Policy

Located in Colorado Springs at the foot of the Rockies, The Broadmoor provides an environment of unparalleled beauty, surrounded by the mountains and centered by Cheyenne

Lake. Please return the enclosed reservation form by September 28, 2005, which is the cutoff for reservations at the conference rate. ***To insure that you will get the arrangements that you want, it is highly recommended that you make your reservations as soon as possible!***

Please note that a deposit equal to one night's room rate will be required at the time the reservation is made (*with the exception of those registering under a government rate*). In order to prevent a cancellation or change fee of one night's room rate, cancellations or changes of arrival and/or departure date must be confirmed no later than seven days prior to your arrival date.

Also note that the hotel will charge you a resort fee of \$14/night which includes unlimited access to the Fitness Center, local phone, toll-free, credit card and collect call access (up to one hour in length), incoming faxes, daily newspaper, daily gratuities for housekeeping personnel and in-room coffee and tea service (*this fee is included within the government rate*).

Getting There

The Broadmoor is located at 1 Lake Avenue, Colorado Springs, Colorado. The resort is on the southwestern edge of the city. If you are arriving by car, exits off I-25 are clearly marked. Attendees may choose to fly into Colorado Springs Airport or Denver International Airport.

From Colorado Springs Airport: When leaving the Colorado Springs Airport you will be on Drennan Rd. Follow Drennan to the third stoplight, Academy Blvd. Turn left onto Academy. Follow Academy to Northbound Interstate 25, which will be a right turn. Take I-25 north to the next exit, exit 138, which is Circle Dr. Turn left onto Circle Dr. Follow Circle Dr., which becomes Lake Ave., approximately 2.6 miles to The Broadmoor Hotel.

From Denver International Airport: The Broadmoor is one and a half hours from the Denver International Airport (DIA). Driving from

DIA, you will exit the airport on Pena Blvd. Follow Pena Blvd. to Interstate 70 West. Stay in the right-hand lane and take the first exit, which is I-225. Follow I-225 until it intersects I-25. Take I-25 south to Colorado Springs. Continue on I-25 through Colorado Springs to exit 138, Circle Dr. Turn right off of the exit onto Circle Dr. Follow Circle Dr., which becomes Lake Ave., approximately 2.6 miles to The Broadmoor Hotel.

Discount Airfare/ Rental Cars

American Airlines is the official airline for the Symposium and can provide various discounts to attendees flying into Colorado Springs or Denver. Call 1-800-433-1790 and provide them with authorization number A07H5AQ.

Avis can provide discounted rental car rates. To get a rate quotation, call 1-800-331-1600 and provide them with the NAWC number of J907285.



*Cover Photograph by Fred Joy
Light Reflections Gallery Jackson, WY*

Program Highlights

Sunday, October 30

Join old friends and new friends for the Welcome Reception, to be held at The Broadmoor.

Monday, October 31

After the Opening Ceremony, the keynote address will be delivered.

Next, Robert C. Renner, Executive Director of the AWWA Research Foundation (AWWARF), will provide an update on the AWWARF Futures Study. This will be followed by a presentation on the progress that has been made since the previous (2003) National Drinking Water Symposium. Speakers will be The Honorable Frederick F. Butler, Commissioner, New Jersey Board of Public Utilities, and Chair, NARUC Committee on Water; Andrew Chapman, Vice President, Strategy and Regulation, American Water, 2003-04 President, NAWC; Cynthia Dougherty, Director, Office of Groundwater and Drinking Water, U.S. EPA and Van R. Hoofnagle, P.E., Administrator, Drinking Water Section, Florida Department of Environmental Protection and President, Association of State Drinking Water Administrators.

New Symposium Format Planned for Five Themes:

An overview of each theme will be presented, followed by success stories of recent initiatives, providing examples of how various solutions to challenges have been applied. The number and time span of speakers and examples will vary per theme. Each theme will conclude with a discussion of recommended next steps. Time has been built in to allow for speaker responses to audience questions.

Theme I. Following a break, the focus will be on the first Symposium theme:

Enhancing Public

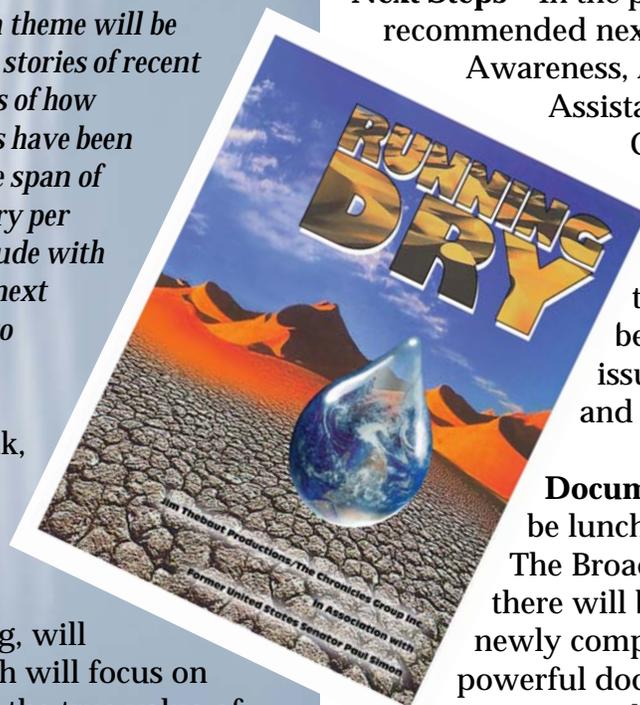
Awareness. Dr. Robert Raucher, Stratus Consulting, will provide an overview, which will focus on educating the public about the true value of

water service; how utility efforts to enhance security of critical infrastructure are effectively communicated; how to better communicate wise water use practices; how certain water quality lawsuits can impact all water utilities, even those in compliance, and how to effectively communicate and align facts with public perception.

Progress - In the discussion about progress made on Enhancing Public Awareness, the Honorable Wendell F. Holland, Chairman, Pennsylvania Public Utility Commission, will discuss his agency's marking of National Drinking Water Week to broaden educational outreach. Stephen Heare, Director, Drinking Water Protection Division, USEPA, will discuss a new program designed to educate students about lead in drinking water. Jeff Osman, President and CEO, York Water Company, will provide an example of effective public awareness efforts presented to customers in advance of a rate increase request. The Honorable Arnetta McRae, Chair, Delaware Public Service Commission, will discuss ideas for enhanced water industry communications. Tony Harding, CEO, United Water, will speak about a voluntary innovation, and how his company addressed its community and corporate social responsibility.

Next Steps - In the presentation about recommended next steps to Enhance Public Awareness, Anthony "Bud" Rock, Acting Assistant Secretary, Bureau of Oceans and International Environmental and Scientific Affairs, U.S. Department of State, will then discuss the links between water and sanitation issues in the developing world and U.S. foreign policy goals.

Documentary Premier - There will be lunch for the group at Noon, at The Broadmoor. Following lunch, there will be a special program on the newly completed version of the powerful documentary, *Running Dry*, and its impact and our role in achieving



sustainable solutions. Jeremy Pelczer, President and CEO, American Water, will discuss the importance of these issues. Next will be a premier showing of the new 50-minute synopsis of *Running Dry*. This will be followed with discussions of *Running Dry* as a Call to Action, with remarks from Floyd Wicks, President and CEO, American States Water Company, and James Thebaut, Writer, Producer and Director of *Running Dry*.

Next Steps - After a break, there will be a presentation by a representative of AWWA on a collaborative rural response to a crisis. Andrew Chapman, Vice President, Strategy and Regulation, American Water, will give an introduction to the Water Aid program as a sustainable solution to many issues raised in *Running Dry*. The Honorable Wendell F. Holland, Chairman, Pennsylvania Public Utility Commission, will then discuss a proposed Water Aid project in India.

Progress – The first day of the Symposium will close with a summary of the day’s discussions, lead by Andrew Chapman. The audience will be invited to participate in developing strategic initiatives and progress.

Tuesday, November 1

Theme II. The day will begin with a presentation by G. Tracy Meehan, II, Principal, Cadmus and former U.S. EPA Assistant Administrator, who will introduce the second Symposium theme of ***Integrated Water Resource Management***. This overview will include a discussion of how a comprehensive, multi-resource view can better balance competing needs of a limited resource to meet future needs, and how integrated water resource management can result in enhanced source water protection and reliability, along with increased cost efficiencies and sustainable development.

Progress - In a presentation about progress made, Velma Redmond, Regional General Counsel, Southeast Region, American Water, will discuss selected integrated water resource management projects that her company has implemented, including: the Solaire Green

Building (apartment building water reuse); the Anthem Water Campus, Arizona; the Piasa Creek Project, Illinois (infrastructure combinations, non-point trade-offs); and American’s new Environmental Grant Program. Next, as an example of steps towards progress, Stan Ferraro, Vice President, Regulatory Affairs and Corporate Development, California Water Service Company, will discuss a proposal to decouple sales and revenues when implementing conservation programs.

Next Steps - Stephen Heare, Director, Drinking Water Protection Division, U.S. EPA, will discuss the fact that EPA’s drinking water programs have been emphasizing the importance of source water protection for many years. Considerable progress has been made in documenting potential sources of contamination and planning potential efforts. The challenge ahead is to implement the plans.

Theme III. The third Symposium theme will be ***Industry Structure Affects Service***, beginning with a discussion of the importance of infrastructure to economic development.

Progress – Following a break, there will be a report on the progress made in the structure/ service relationship. Nicholas DeBenedictis, President and CEO, Aqua America, will discuss how a regionalized approach in an overly fragmented structure achieves essential economies of scale necessary to provide a higher level of service at a reasonable price, noticeably affecting water quality, reliability, customer service, security preparedness and emergency response.

Next Steps - Jay L. Rutherford, P.E., Director, Water Supply Division, Vermont Department of Environmental Conservation, will discuss Capacity Development via the adoption of applicable policies and regulations as well as training and technical assistance. The actions to be included are: efforts to improve technical, financial, and managerial capacity of small water systems; broadened interagency coordination; recognition of, and coordination with, planned,

smart growth adopted by local municipalities; and views on where we should go from here.

Theme IV. The morning session continues with a discussion of the fourth Symposium theme, **Standards of Service.** Steve Wright, Benchmarking Initiative Manager, American Productivity and Quality Center, will provide an overview by discussing potential methodologies for benchmarking practices for the water industry.

Progress and Next Steps – Next, we'll hear some examples of the impact of high service standards. First, Peter C. Nelson, President and CEO, California Water Service Company and incoming President, NAWC, will discuss how good customer service made a difference during a local government's takeover attempt of a well run investor owned water company. Then, the Honorable Frederick F. Butler, Commissioner, New Jersey Board of Public Utilities and Chair, NARUC Committee on Water, will discuss his agency's customer service "report card" which rates various service standards for all utility groups, including water utilities.

The morning session will conclude with a discussion of the progress made in utility diversity procurement programs and its beneficial impacts. The Honorable Henry Duque, former Commissioner, California Public Utilities Commission and former Chair, NARUC Committee on Water, will introduce the topic's invited speaker, the Honorable Michael R. Peevey, President, California Public Utilities Commission.

During the break for Lunch, the NAWC Chapter Luncheons will be held; if you are interested in participating in a Chapter Luncheon, please register on the registration form.

Theme V. The Tuesday afternoon session will address the fifth Symposium theme of **Rate Setting and Full Cost Pricing.** We will hear how rate setting mechanisms enable utilities to provide high levels of self-sustainable service. In addition, full cost pricing provides adequate revenue to provide service in compliance with

all applicable state and federal requirements, including revenues to cover ongoing infrastructure remediation in order to preclude maintenance deferral. Next, Walter Hulse, Managing Director, UBS-Warburg, will discuss how Wall Street views water utilities and the implications of adequate returns on investment. This will be followed by Lawrence Kolbe of the Brattle Group, who will discuss how risk relates to setting adequate returns, and how appropriate returns relate to adequate investments.

Progress – Stephen Genzer, Esq., Saul Ewing LLP, will provide examples of what full cost pricing buys in terms of quality of service and levels of reliability, along with examples of innovative rate setting mechanisms. Following a break, the Honorable Frederick F. Butler, Commissioner, New Jersey Board of Public Utilities and Chair, NARUC Committee on Water, will discuss results achieved from utilities utilizing a distribution system improvement charge and the associated customer service benefits. Commissioner Butler will also discuss the value derived from other flexible regulatory approaches, such as settlements and mediation, future test years, and tools to assist with the affordability issues faced by payment-troubled ratepayers, such as targeted customer assistance programs. This presentation will conclude with a summary of the NARUC Committee on Water discussion of these types of regulatory mechanisms being identified as "best practices."

Next Steps - The day will conclude with a discussion by Denise Kruger, Vice President, Region 3, Southern California Water Company, of the development of an electronic management tool to track her company's statewide water portfolio, serving to incorporate Integrated Water Resource Planning, while enhancing customer and shareholder value. Next, a representative of American Water will provide an update on many other new technologies – what's new with desalination plants, arsenic treatment and reuse, and what new technologies are in the research or piloting pipeline. Also to be discussed will be *Service First*, American's new \$15 million customer service project involving new

computer technology installed within service trucks to achieve “real time” service. The last speaker for the day will be E. Buck Henderson, Manager, Public Drinking Water Section, Water Supply Division, Texas Commission on Environmental Quality, who will discuss the fact that full cost pricing also helps enable implementation of the latest security preparedness enhancements. New security technologies and approaches will also be discussed, including the latest in “real time” monitoring.

A reception and dinner will be held at The Broadmoor for all Symposium attendees.

Wednesday, November 2

The 3rd National Drinking Water Symposium will then conclude with a wrap up by the cosponsors. Each will highlight the issues deemed as most significant from their particular perspective and offer their views on how best to obtain and continue achieving progress to resolve water industry challenges.

NAWC Annual Meeting

On Wednesday, from 9:30AM-10:15AM, the National Association of Water Companies will hold its Annual Business Meeting for members. This will include election of officers, remarks by the Executive Director, awards and any other business of the Association.

Following the Annual Meeting, Government Relations Committee Chairman Bob Foy (California Water Service Co.) will lead a presentation on the Committee’s (and NAWC’s) government relations agenda and initiatives. Topics that will be covered include infrastructure, financing, Private Activity Bonds, the Drinking Water Standards Protection Act and NAWC’s Political Action Committee.

This will conclude the NAWC Annual Meeting, although there will be a Board of Directors meeting following the Annual Meeting’s conclusion, at Noon.

Preliminary Schedule (subject to change)

Sunday, October 30

5:30PM-7:00PM Welcome Reception

Monday, October 31

6:30AM-8:00AM Continental Breakfast
 8:00AM-8:45AM Keynote Speaker
 8:45AM-9:15AM AWWARF Futures Study
 9:15AM-10:00AM Cosponsors Update on Progress Since 2003 Symposium
 10:00AM-10:20AM Networking Break
 10:20AM-10:40AM Enhancing Public Awareness
 10:40AM-11:50AM Enhancing Public Awareness: Progress
 11:50AM-12:20PM Enhancing Public Awareness: Next Steps
 12:30PM-1:15PM Group Luncheon at The Broadmoor
 1:15PM-2:30PM Special Luncheon Program: Premier Showing of Synopsis of *Running Dry*
 2:30PM-3:00PM Next Steps - A Call to Action
 3:00PM-3:20PM Networking Break
 3:20PM-4:10PM Enhancing Public Awareness: Further Progress
 4:10PM-4:30PM Summary and Audience Participation on Strategic Initiatives and Progress

Tuesday, November 1

6:30AM-8:00AM Continental Breakfast
 8:00AM-8:30AM Integrated Water Resource Management
 8:30AM-9:00AM Integrated Water Resource Management: Progress
 9:00AM-9:30AM Integrated Water Resource Management: Next Steps- Source Water Protection
 9:30AM-9:50AM Industry Structure Affects Service
 9:50AM-10:10AM Networking Break
 10:10AM-10:40AM Industry Structure Affects Service: Progress
 10:40AM-11:00AM Industry Structure Affects Service: Next Steps
 11:00AM-Noon Standards of Service
 Noon-1:30PM NAWC Chapter Luncheons (or lunch on your own)
 1:30PM-2:30PM Rate Setting and Full Cost Pricing
 2:30PM-2:45PM Rate Setting and Full Cost Pricing: Progress
 2:45PM-3:00PM Networking Break
 3:00PM-3:15PM Rate Setting and Full Cost Pricing: Progress
 3:15PM-4:15PM Rate Setting and Full Cost Pricing: Next Steps
 6:30PM-7:30PM Reception
 7:30PM Dinner

Wednesday, November 2

6:30AM-8:00AM Continental Breakfast
 8:00AM-8:30AM Special Guest Speaker
 8:30AM-9:15AM Symposium Cosponsors Wrap-Up Break
 9:15AM-9:30AM NAWC Annual Meeting
 9:30AM-10:15AM NAWC Panel on Legislative Agenda
 10:15AM-11:45PM NAWC Board of Directors Luncheon
 Noon-2:00PM

About Colorado Springs

As the second largest city in Colorado, modern day Colorado Springs is flourishing. From its panoramic views, to attractions such as Pikes Peak and the United States Air Force Academy, there is always something wonderful and exciting awaiting you in colorful Colorado Springs.

Temperatures in Colorado Springs in late October and early November range from 37 to 66 degrees.

About the Broadmoor

The Broadmoor was built in 1891 as a gambling casino, and transformed into a “grand resort” in 1918. Today, it thrives as one of the country’s finest resorts, in an environment of unparalleled beauty and luxury surrounded by the mountains and centered by Cheyenne Lake.



The Broadmoor has been the vacation destination of hundreds of presidents, statesmen, foreign potentates, and celebrities, in addition to many entertainment and sports celebrities. It has been providing visitors with the perfect spot to work, relax, or enjoy a myriad of recreational possibilities for over 80 years. More information on The Broadmoor is available at www.broadmoor.com.

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