



Essential's Pennsylvania Wastewater Subsidiary Purchases East Norriton System

June 22, 2020

Aqua Pennsylvania Wastewater closes purchase of the East Norriton system

BRYN MAWR, Pa.--(BUSINESS WIRE)--Jun. 22, 2020-- Essential Utilities Inc. (NYSE: WTRG) announced today its Pennsylvania subsidiary acquired the approximately 5,000-connection wastewater assets of East Norriton Township in Montgomery County for \$21 million.

"We're pleased to add the East Norriton community to our growing wastewater footprint in Southeastern Pennsylvania," said Essential CEO Chris Franklin. "We're looking forward to putting our engineering and construction expertise to work to complete roughly \$16 million in capital work over the next 10 years."

Aqua Pennsylvania Wastewater President Marc Lucca said, "We are excited to welcome the customers of the East Norriton community and look forward to providing them excellent wastewater service that will meet customer expectations and protect the environment. We believe our planned infrastructure improvements will target sanitary sewer overflows and reduce extraneous flows by replacing, lining and repairing portions of the sewer collection system, and upgrading several pump stations. These capital projects will significantly improve operational efficiency and environmental conditions. These will yield cost savings over time and improve customer service."

East Norriton was acquired under Pennsylvania's Act 12, fair market valuation legislation, which encourages consolidation in a fragmented water and wastewater industry, allowing resources to be shared among a larger service area, ultimately benefiting utility customers.

The acquisition is the second for Essential's water and wastewater division this year. In January, Aqua Ohio purchased the City of Campbell's water treatment plant and distribution system, which serves about 3,200 connections in Mahoning County, for \$7.5 million.

Aqua Pennsylvania recently received conditional acceptance of its application to acquire the wastewater assets of the Delaware County Regional Water Quality Control Authority (DELCORA) for \$276.5 million, from the Pennsylvania Public Utility Commission. DELCORA serves a population of approximately 500,000 people in 42 municipalities in Southeast Pennsylvania. Once completed, it would be the largest municipal transaction for Aqua America and the largest water/wastewater municipal transaction in Pennsylvania's history.

About Essential

Essential is one of the largest publicly traded water, wastewater and natural gas providers in the U.S., serving approximately 5 million people across 10 states under the Aqua and Peoples brands. Essential is committed to excellence in proactive infrastructure investment, regulatory expertise, operational efficiency and environmental stewardship. The company recognizes the importance water and natural gas play in everyday life and is proud to deliver safe, reliable services that contribute to the quality of life in the communities it serves. For more information, visit <http://www.essential.co>.

Aqua Pennsylvania provides water and wastewater service to approximately 1.4 million people in 32 counties throughout the Commonwealth of Pennsylvania. Visit AquaAmerica.com for more information or follow us on Facebook at facebook.com/MyAquaAmerica and on Twitter at @MyAquaAmerica.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, among others: the company's ability to implement its capital program. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: general economic business conditions, the successful integration of the customers and the facilities, and other factors discussed in our Annual Report on Form 10-K, which is on file with the Securities and Exchange Commission. For more information regarding risks and uncertainties associated with the company's business, please refer to the company's annual, quarterly and other SEC filings. The company is not under any obligation — and expressly disclaims any such obligation — to update or alter its forward-looking statements whether as a result of new information, future events or otherwise

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