



Aqua Pennsylvania Reaches Agreement With Lower Makefield Twp. to Purchase Municipal Wastewater System Serving Approximately 11,000 Wastewater Connections

September 24, 2020

BRYN MAWR, Pa.--(BUSINESS WIRE)--Sep. 24, 2020-- Aqua Pennsylvania announced today it has signed an asset purchase agreement with Lower Makefield Township to acquire the municipality's wastewater assets for \$53 million. The pending transaction is subject to Pennsylvania Public Utility Commission approval.

Lower Makefield Township has a population of approximately 32,600 people in Bucks County, Pennsylvania. The system serves approximately 11,000 residential and commercial connections in Lower Makefield, Falls and Middletown townships, and Yardley Borough with a system that includes 113 miles of collection mains and 14 pump stations. Its waste is treated at the Morrisville Municipal Authority Plant.

"We are pleased that leadership of Lower Makefield Township had the confidence in Aqua Pennsylvania to entrust us with their wastewater assets, and perhaps most importantly, to provide reliable wastewater service to their community," said Essential CEO Chris Franklin. "Lower Makefield will be the 12th water or wastewater system closed or announced by Aqua in the last 12 months. Collectively these deals will have added 230,000 customer equivalents once all of the transactions are closed."

Aqua Pennsylvania President Marc Lucca said, "We look forward to bringing our commitment to customer service and operational expertise to the residents of Lower Makefield Township, where customers' sewer rates under Aqua Pennsylvania will remain unchanged into 2025. Customer rates will remain unchanged despite our plan to invest an estimated \$10 million in infrastructure improvements necessary to maintain service levels and regulatory compliance that protects the environment," Lucca continued.

"Beyond our commitment to quality customer service, we are also committed to corporate citizenship and being a partner in the communities we serve. It is in that spirit that Aqua Pennsylvania, through the Essential Foundation, will donate \$25,000 upon closing to non-profit organizations consistent with our mission and vision which includes protecting and providing Earth's most essential resource and a commitment to give back to the communities in which we operate," said Lucca.

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>.

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 receive governmental approval of the transactions and to successfully close the acquisitions. 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 receipt of governmental approvals; the successful closing of the acquisitions; the successful integration of the customers and the facilities; successful donation efforts to organizations; effects of pandemics or other widespread health problems; 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 Essential Utilities' business, please refer to Essential Utilities' annual, quarterly and other SEC filings. Essential Utilities 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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