



Essential Utilities' Pennsylvania Wastewater Subsidiary Reaches Agreement With City of Beaver Falls to Purchase Municipal Wastewater System Assets

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BRYN MAWR, Pa.--(BUSINESS WIRE)--Oct. 21, 2021-- Essential Utilities Inc. (NYSE: WTRG) announced today that its Pennsylvania wastewater subsidiary has signed an asset purchase agreement with the City of Beaver Falls in Beaver County to acquire the municipality's wastewater assets for approximately \$41.25 million. The pending fair market value transaction is subject to Pennsylvania Public Utility Commission approval.

Beaver Falls' wastewater system serves approximately 7,600 customer-equivalents, including residential and commercial connections. The city currently provides sewer service to customers of Beaver Falls and seven outlying municipalities, including Patterson Township, Patterson Heights, White Township, West Mayfield, Big Beaver Borough, Eastvale Borough and North Sewickley Township.

"Our agreement with the City of Beaver Falls to acquire its wastewater system is our first in Beaver County," said Essential Utilities Chairman and CEO Christopher Franklin. "We're looking forward to benefiting our new customers by leveraging our expertise in compliance, large-scale purchasing power and other efficiencies that come from our national footprint."

The company anticipates the need for approximately \$10 million in infrastructure improvements over the next decade with a focus on safety, security and treatment plant upgrades.

"On behalf of Aqua Pennsylvania and as the city's new wastewater system owner-operator, I want to thank the city council for its unanimous support. We look forward to the timely completion of this acquisition and are excited to serve customers in the City of Beaver Falls and surrounding communities," said Aqua Pennsylvania President Marc Lucca.

Beaver Falls is the fifth asset purchase agreement executed by Essential's Aqua companies in 2021. Including Beaver Falls, the company has seven signed purchase agreements for water and wastewater systems, which have a total purchase price of approximately \$467.7 million and represent approximately 234,000 equivalent retail customers or equivalent dwelling units. The company closed six water and wastewater acquisitions in 2020 and two so far in 2021 representing an addition of approximately \$99.0 million in rate base and nearly 20,000 customer equivalents to the company's footprint.

About Essential

Essential is one of the largest publicly traded water, wastewater service 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>.

About Aqua Pennsylvania Wastewater

Aqua Pennsylvania Wastewater is a subsidiary of Aqua Pennsylvania and serves approximately 45,000 connections in 16 counties throughout the Commonwealth of Pennsylvania. Visit AquaAmerica.com for more information or follow Aqua 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 receive governmental approval of the transaction and to successfully close the acquisition. 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 acquisition; the successful integration of the customers and the facilities; effects of pandemics or other widespread health problems; the ability to successfully implement our capital program; 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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