



Philadelphia Suburban Subsidiary Purchases Municipal Wastewater System For \$3.7 Million

BRYN MAWR, Pa. April 5, 2001 - Philadelphia Suburban Corporation (NYSE:PSC) today announced that its Philadelphia Suburban Water Company (PSW) wastewater subsidiary-Little Washington Wastewater Company (LWW), now doing business as Suburban Wastewater Company-has purchased the Media Borough wastewater system in Delaware County, Pennsylvania which serves approximately 15,000 residents in Media Borough, and Upper Providence and Middletown Townships, for approximately \$3.7 million.

PSC Chairman Nicholas DeBenedictis said, "This significantly increases the customer base of our expanding Pennsylvania wastewater utility operations and is another example of our ability to purchase municipally-owned systems." He added that the company plans to upgrade the treatment plant and rehabilitate portions of the wastewater system over the next five years to ensure the continuation of reliable service to its new wastewater customers.

The Media wastewater system is one of 6,000 water and wastewater systems in Pennsylvania, and one of more than 50,000 in the country, regulated by the Environmental Protection Agency. PSC is the second largest publicly-traded water utility in the nation.

Media Borough Council President Joan M. Hagan said, "PSW purchased the Media Borough water system five years ago and we have been very pleased with their professionalism and service. It is with great confidence that we are turning over our wastewater system to PSW's wastewater company."

The Media wastewater acquisition is the sixth growth venture PSC has announced this year. Others include:

1. January 2001 - PSC's Consumers Pennsylvania subsidiary received approval from the Pennsylvania Public Utility Commission to provide service to more than 1,200 residents an area of southern Mahoning Township, Lawrence County, Pennsylvania.
2. January 2001 - PSC's North Carolina subsidiary merged with Hydraulics, Ltd. of Greensboro, a public water utility that serves approximately 16,000 residents in 22 counties surrounding the towns of Greensboro, Hickory, Raleigh and Gastonia.
3. January 2001 - PSC's Consumers New Jersey subsidiary entered into a one-year professional services contract to operate and maintain the wastewater collection system and pumping station serving the first phase of the Greenwich Chase development that currently serves approximately 450 residents.
4. February 2001 - PSC's Consumers Illinois subsidiary purchased the assets of the Walnut Hill Well Association, a small groundwater system serving 40 residents in Vermilion County.
5. March 2001 - PSW purchased the water system assets of the Springton Court homeowner community, which serves approximately 100 residents in West Brandywine Township, Chester County.

Philadelphia Suburban Water Company is a subsidiary of PSC, one of the nation's largest investor-owned water utilities serving nearly two million residents in Pennsylvania, Illinois, Ohio, New Jersey, Maine and North Carolina. PSC is a publicly-traded company listed on both the New York and Philadelphia Stock Exchanges under the ticker symbol "PSC" and has been committed to the preservation and improvement of the environment throughout its history, which spans more than 100 years.

Editors Note: This release contains certain forward-looking statements involving risks, uncertainties and other factors that may cause the actual results to be materially different from any future results expressed or implied by such forward-looking statements. These factors include, among others, the following: general economic business conditions; the success of certain cost containment initiatives, changes in project schedules, project contingencies and variations in water purchases; changes in regulations or regulatory treatment; availability and cost of capital; and the success of growth initiatives.