



## **Philadelphia Suburban Completes Sale of Connecticut Operations to Birmingham Utilities**

BRYN MAWR, Pa.--(BUSINESS WIRE)--Oct. 31, 2003--Philadelphia Suburban Corporation (NYSE:PSC), announced today that it has completed the sale of the company's regulated and non-regulated operations in Connecticut to Birmingham Utilities, Inc. and Birmingham H2O Services, Inc., wholly-owned subsidiaries of BIW Limited (BIW:AMEX)--an investor-owned water utility based in Ansonia, Connecticut--for the purchase price of approximately \$4 million or \$2,000 per customer.

The properties sold were among the investor-owned water and wastewater systems of AquaSource, Inc. that PSC acquired July 31, 2003 from DQE (NYSE:DQE) for \$190 million. In total, the operations served 130,000 customers in 10 states. Prior to completing the AquaSource transaction, PSC announced its intention to sell the Connecticut and New York properties to Birmingham Utilities contingent upon regulatory approval. Regulatory approval for the sale of the Connecticut properties was received and is pending for the sale of the New York properties. Closing on that sale is expected later this year or early 2004.

PSC Chairman Nicholas DeBenedictis said that selling the Connecticut and New York operations makes sense because PSC has no other utility operations in those states and the systems are small in size in comparison to the other AquaSource systems. "We are pleased we were able to work quickly with Birmingham Utilities to come to a sale agreement and transfer the Connecticut system to such a competent company." said DeBenedictis. "Birmingham's current operating-base made it a perfect fit to own the Connecticut and New York operations and we look forward to the New York transfer later this year or early next year."

Birmingham Utilities, Inc. has been in operation since 1859 and currently serves more than 9,000 customers in Ansonia, Derby and small parts of the contiguous Town of Seymour.

PSC is the largest U.S.-based publicly-traded water utility serving approximately 2.5 million residents in more than a dozen states. PSC is listed on both the New York and Philadelphia Stock Exchanges under the ticker symbol "PSC." The company has been committed to the preservation and improvement of the environment throughout its history, which spans more than 100 years.

This press release contains forward-looking statements. These forward-looking statements are found in various places throughout this press release and include, without limitation, statements regarding the expected timing and benefits of the acquisition and sale. While these forward-looking statements represent our judgments and future expectations concerning the development of our business and the timing and benefits of the acquisition, a number of risks, uncertainties, and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, regulatory approvals for the transaction; the costs related to the transaction; the inability to obtain or meet conditions imposed for governmental approvals for the transaction; the risk that anticipated benefits will not be obtained or will not be obtained within the time anticipated; and other key factors that could adversely affect our business and financial performance contained in our past and future filings and reports, including those filed with the Securities and Exchange Commission. Neither PSC nor BIW Limited is under any obligation (and each 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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