



Philadelphia Suburban Receives Approval to Serve Honeybrook Township

BRYN MAWR, Pa. Sept. 7, 2000 - Philadelphia Suburban Corporation (NYSE:PSC) today announced that its Philadelphia Suburban Water Company (PSW) subsidiary has received approval from the Pennsylvania Public Utility Commission to serve a portion of Honeybrook Township, Chester County, which has a population of approximately 2,100 residents.

This is the tenth growth venture announced by PSC this year.

PSC Chairman Nicholas DeBenedictis explained, Service territory expansions like this one are significant because they provide the potential to serve more customers. There are currently seven water systems providing water service to residents in Honeybrook. In the current industry environment of rapid consolidation, we expect that some of these smaller systems will be interested in developing a business relationship with PSW.

During the past five years PSC has completed more than 50 growth ventures, allowing the company to grow rapidly and become one of the largest investor-owned water utilities in the United States.

Other growth ventures PSC has announced this year include:

- January 2000 - Consumers New Jersey Water Company was awarded a three-year contract to provide meter reading, billing and cash remittance services to the Winslow Township municipal water system in Camden County which provides water and wastewater services to approximately 30,000 residents.
- April 2000 - PSW's wastewater division purchased the Twin Hills wastewater system that serves approximately 750 residents in West Pikeland Township, Chester County.
- May 2000 - PSW purchased the Fulmor Heights water system that serves approximately 1,000 residents in Hatboro Borough, Montgomery County.
- May 2000 - PSC's Consumers Illinois subsidiary was awarded a 10-year contract with the city of Kankakee to provide billing for municipal services including wastewater and solid waste removal.
- June 2000 - PSC's Consumers Ohio subsidiary merged with Applegrove Water Company, which serves approximately 2,600 residents in Plain Township and the City of North Canton, both in Stark County, Ohio.
- August 2000 - PSC's Consumers Ohio subsidiary acquired the Summit County water system, serving approximately 4,200 residents in the City of Green.
- August 2000 - PSW purchased the White Horse Village retirement community water system that includes 500 residences and a 100-bed hospital in Edgmont Township, Delaware County.
- August 2000 - PSC's Consumers Illinois subsidiary announced an agreement of sale to purchase the Ivanhoe water and wastewater systems, which provide water and wastewater service to approximately 400 residents in the gated golf community in Ivanhoe, Lake County.
- August 2000 - PSW received approval from the Pennsylvania Public Utility Commission to purchase the Chatwood water system, which serves approximately 250 residents in West Goshen 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 and Maine. 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.

--30--CRB/ph*

CONTACT:

Philadelphia Suburban Corporation

Donna Alston

Director, Communications

610/645-1095

alstond@suburbanwater.com