



Philadelphia Suburban New Jersey Subsidiary Awarded Operations Contract for Winslow Township Water System

Bryn Mawr, PA, January 19, 2000 - Philadelphia Suburban Corporation (NYSE:PSC) announced today that its Consumers New Jersey Water Company (CNJ) subsidiary has been awarded a three-year contract to provide water meter reading, and water and wastewater billing and cash remittance services for 8,000 customers of the Winslow Township municipal water system in Camden County, New Jersey. The \$180,000 contract, approved by the Winslow Township council, was signed today.

The contract, which takes effect immediately, is an expansion of an earlier six-month contract for meter reading services the township awarded to CNJ in March 1999.

CNJ President Sharon Schulman said, We are very pleased to be able to service Winslow Township and provide three additional services. We are looking forward to continuing to provide Winslow residents with the excellent service they deserve and have come to expect.

PSC Chairman Nicholas DeBenedictis said the contract is one of several income-generating growth ventures that supplement the company's growth-through-acquisition strategy. Contracts like the one in Winslow Township allow the company to expand its operations and management services to water and wastewater systems that are not interested in an outright sale of their assets, said DeBenedictis.

CNJ serves a population of more than 120,000 in 22 New Jersey communities in Warren, Hunterdon, Mercer, Burlington, Monmouth, Gloucester and Camden Counties. PSC is the holding company of water systems that serve approximately 1.8 million residents in New Jersey, Pennsylvania, Ohio, Illinois and Maine.

This is PSC's first announcement in 2000. The company completed 17 acquisitions and growth ventures in 1999 and 50 over the past five years.

PSC is one of the nation's largest investor-owned water utilities serving 1.8 million residents in Pennsylvania, Ohio, Illinois, New Jersey and Maine.

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