



Aqua Pennsylvania Plans to Issue Up to \$75M of First Mortgage Bonds

BRYN MAWR, Pa., Oct 19, 2009 (BUSINESS WIRE) -- Aqua Pennsylvania, Inc. (Aqua) announced today that it plans to issue up to \$75 million of aggregate principal amount of long-term, first mortgage bonds. The first mortgage bonds will be issued to the Pennsylvania Economic Development Financing Authority ("PEDFA") as security for a series of tax-exempt bonds to be issued by PEDFA on behalf of Aqua. The proceeds from this financing will be used by Aqua to help finance part of the company's \$1 billion multi-year capital plan to improve the delivery infrastructure system for its customers in Pennsylvania

The issuance of the first mortgage bonds by Aqua is a condition to the issuance by PEDFA of its tax-exempt bonds. Interest on the bonds to be issued by PEDFA will be exempt from individual and corporate Alternative Minimum Tax. The PEDFA bonds will be issued in denominations of \$5,000 principal amount and any integral multiple thereof and will be offered to both retail and institutional investors. Pricing of the PEDFA bonds is expected to occur on October 19-20, 2009.

This release does not constitute an offer of any securities for sale or the solicitation of an offer to buy any securities. The securities will not be registered under the Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration.

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, among others, the expected amount and timing of the issuance of the company's bonds, the expected use of the proceeds of the bonds and the effect the company's capital plan on the company's infrastructure. 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; disruptions in the credit markets; and other factors discussed in our Annual Report on Form 10-K, which is on file with the SEC. We undertake no obligation to publicly update or revise any forward-looking statement.

WTRF

SOURCE: Aqua Pennsylvania, Inc.

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