



Philadelphia Suburban Acquires Two Facilities and Expands Customer Base to Unserved Areas in Chester County

Industrial park and three residential neighborhoods to have reliable water service

BRYN MAWR, Pa. Dec. 6, 2000--

Philadelphia Suburban Corporation (NYSE:PSC) today announced that its Philadelphia Suburban Water Company (PSW) subsidiary has expanded its customer base in Chester County through two acquisitions in West Whiteland and West Goshen Townships. The company also began a series of main extension projects in West Goshen and Westtown Townships that will give private well owners access to PSW's reliable supply of public drinking water.

PSW recently purchased the water system assets of the Linden Court water system, a 30-resident homeowner and condominium development in West Whiteland Township, and purchased the water distribution system that serves three industrial buildings on the former Keystone/MMB Helicopter headquarters property in West Goshen Township.

In addition, PSW will provide water service to approximately 350 residents in West Goshen Township and 50 residents in Westtown Township through its Main Source program, which enables property owners with unreliable private wells to be connected to PSW's distribution system. PSW is installing approximately 10,000 feet of new main and new meters to provide service to these areas at a cost of more than \$250,000. Residents will also benefit from improved fire protection services.

These acquisitions and Main Source projects, known as the West Chester collective II, are one of 16 other growth ventures PSC has announced this year, including the following:

1. 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.
2. April 2000 - PSW's wastewater division purchased the Twin Hills wastewater system that serves approximately 750 residents in West Pikeland Township, Chester County.
3. May 2000 - PSW purchased the Fulmor Heights water system that serves approximately 1,000 residents in Hatboro Borough, Montgomery County.
4. 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.
5. 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.
6. August 2000 - PSW entered into 25-year bulk water sales agreement with Liberty Electric Power, LLC (Liberty)--a subsidiary of Columbia Electric Corporation-valued at \$43 million. Liberty, is scheduled to begin startup operations at the 568-megawatt gas-powered plant in the fall of 2001.
7. August 2000 - PSC's Consumers Ohio subsidiary acquired the Summit County water system, serving approximately 4,200 residents in the City of Green.
8. 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.
9. 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.
10. August 2000 - PSW received approval from the Pennsylvania Public Utility Commission to serve Honeybrook Township, Chester County.

11. October 2000 - PSW's wastewater subsidiary--Little Washington Wastewater Company--purchased the Plumsock at Willistown wastewater system, which serves 120 residents.
12. October 2000 - PSW purchased the Chatwood water system, which serves approximately 250 residents in West Goshen Township, Chester County.
13. November 2000 - PSC's Consumers Illinois subsidiary announced the acquisition of the water and wastewater collection systems serving Calumet Gardens, a development of approximately 100 residents in Crete Township, Will County.
14. November 2000 - PSW purchased a collective of three (referred to as the West Chester Collective) community homeowner water systems (Circle Avenue, Elizabeth Manor and Orchard's) that serve 135 residents in West Goshen and Westtown Townships, Chester County.
15. December 2000 - PSC formed a new company, Consumers North Carolina Water Company, which completed a \$1.1 million purchase of MidSouth Utilities, Inc. - a public water and wastewater utility that currently will serve approximately 1,000 residents in Iredell County, North Carolina.

PSC is one of the nation's largest investor-owned water utilities serving nearly two million residents in Pennsylvania, Ohio, Illinois, 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.

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