

PA DEP Gives Aqua "Clean Bill of Health" Following \$4.5 Million Capital Investment in New Water Plant

BRYN MAWR, Pa.--(BUSINESS WIRE)-- Aqua Pennsylvania, Inc., (Aqua) announced today that it has satisfied the requirements of the Pennsylvania Department of Environmental Protection (DEP) consent order agreement (COA) for its Emlenton water system 17 months before the final completion date of July 1, 2012, following two years and \$4.5 million of capital investments in the system.

"We are very happy to see that all of the work we have completed for the Emlenton water system has resulted in the termination of the COA," said Aqua Pennsylvania President Karl Kyriss. "From getting the nine-month-old boil order lifted just three weeks after purchase to managing the design and construction of a new water treatment plant, we have worked diligently and invested a lot of money in the Emlenton water system so these customers can get the water quality and reliability they deserve. The termination of the COA was the icing on the cake."

Specific improvements Aqua has made to the Emlenton water system over the two years it has owned the system include \$2.8 million for construction of a new 288,000-gallon per day water treatment plant; \$925,000 to replace 11,400 feet of old water main; and \$392,000 of improvements to the existing finished water reservoir, including the installation of a dome roof.

Aqua entered the COA as a commitment to the DEP that the problems it inherited from the Emlenton Water Company on December 31, 2008, would be resolved on or before July 1, 2012. Emlenton had been under a boil advisory for nine months. Immediately upon purchasing the system, Aqua scrambled to make temporary improvements to lift the boil order in 23 days. "Early termination of the COA stands as final testament to Aqua's aggressive actions and commitment to providing quality water and reliable service for the customers of Emlenton who had suffered enough," said Kyriss.

The Emlenton water system serves approximately 1,200 people in portions of Emlenton Borough and Richland Township, Venango County in western Pennsylvania.

"Many historic small towns across Pennsylvania are experiencing an economic resurgence due to Marcellus Shale exploration," Kyriss said. "Having a modern infrastructure, especially a dependable public water supply, is critical for communities such as Emlenton to take advantage of opportunities for growth and development."

Aqua Pennsylvania serves approximately 1.4 million people in 30 counties throughout Pennsylvania. It is the largest operating subsidiary of Aqua America, Inc., (NYSE:WTR) which serves approximately 3 million people collectively in Pennsylvania, Ohio, North Carolina, Illinois, Texas, New Jersey, New York, Florida, Indiana, Virginia, Maine, Missouri and Georgia, and is listed on the New York Stock Exchange under the ticker symbol WTR.

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