



Aqua America PA Subsidiary Acquires Athens Township Authority Assets as Part of Public-Private Partnership

BRYN MAWR, Pa., Dec 31, 2009 (BUSINESS WIRE) -- Aqua America, Inc. (Aqua) announced today that its Pennsylvania subsidiary, Aqua Pennsylvania, Inc., has acquired the assets of the Athens Township Authority in Bradford County, which will enable Aqua to complete a public-private partnership that will include approximately \$1 million of additional transmission main being contributed by the local economic development agency, the potential for additional customers outside of those already served by the Authority, the revenues from a bulk water sales contract to a new distribution center being built across the state border in New York, and a 20-year professional services agreement.

Aqua Pennsylvania paid \$70,000 for the assets, which include 17,000 feet of transmission main and a 433,000-gallon tank. Concurrent with the acquisition, Aqua Pennsylvania has executed new bulk water sales contract with a New York municipal corporation, Chemung County Industrial Development Agency (CCIDA) to provide water service to a new commercial pharmaceutical warehouse in Chemung Township, Chemung County, New York via a \$1.2 million, 9,650-foot pipeline extension that will connect the newly acquired Athens water system to the metered connection for the bulk water sales agreement with CCIDA, which is subject to approval from the Pennsylvania Public Utility Commission. The new main, currently being installed within Athens Township, Bradford County, will be donated to Aqua Pennsylvania by CCIDA. Aqua's non-regulated subsidiary, Aqua Resources, Inc., has also entered into a 20-year professional services agreement with CCIDA to provide operational services for CCIDA's New York system.

The route of the new main will benefit the owners of approximately 75 residential properties that abut the main by affording them the potential to obtain public water from Aqua Pennsylvania. The new main might also allow residents of a nearby housing development the opportunity to access public water service for their community, which is currently served by private wells.

"We are very pleased with this public-private partnership as it provides Aqua Pennsylvania with growth opportunities and allows us to partner with the CCIDA to help stimulate economic development in a neighboring area," said Aqua America Chairman and CEO Nicholas DeBenedictis.

Aqua America is a publicly traded water and wastewater utility holding company with operating subsidiaries serving approximately threemillion people in Pennsylvania, Ohio, North Carolina, Illinois, Texas, New Jersey, New York, Florida, Indiana, Virginia, Maine, Missouri, South Carolina and Georgia. Aqua America is listed on the New York Stock Exchange under the ticker symbol WTR.

This release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 that address, among other things, the effect of the acquisition of the described business, and possible benefits from the acquired operations. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: the risk that the acquired company's business will not be successfully integrated; the risk that the pipeline will not be completed as projected or have the indicated benefits; that potential customers might not connect to the water system; that Aqua Pennsylvania will receive regulatory approval of its bulk water sales agreement; the costs related to the transaction; the risk that anticipated benefits will not be obtained or will not be obtained within the time anticipated; and other factors discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2008, which is on file with the SEC. We undertake no obligation to publicly update or revise any forward-looking statement.

WTRF

SOURCE: Aqua America, Inc.

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