



\$1.1 Million Aqua Pennsylvania Upgrade Coming for Luzerne County Community's Water System

WHITE HAVEN, Pa., Feb 12, 2008 (BUSINESS WIRE) -- With the recent approval of low-interest financing from the commonwealth, Aqua Pennsylvania, Inc. (Aqua) announced today that the installation of new water mains and additional fire hydrants are planned for Terrace Avenue in Kingston Township, Luzerne County. The \$1.1 million project will provide enhanced fire protection and increase service reliability for the community's water system, which serves about 2,250 people.

Aqua will replace approximately 4,700 feet of aging and undersized water main. The larger eight-inch ductile iron pipe will also allow for the installation of fire hydrants to provide fire protection for the area. Construction is scheduled to begin the summer of 2008 and should be completed by the end of the year.

The Terrace Avenue improvements are in addition to \$3.3 million that Aqua has already invested in this and nearby communities' water systems. The company has interconnected community water systems in Midway Manor, Harris Hills, Windsor Farm, Sunrise Estates, Meadowcrest, Maple Crest, Bramblewood and Cedar Lane. Other improvements since 2006 include a new storage tank, installation of new fire hydrants, and approximately 12,000 feet of new pipe to create a more reliable water distribution system. The result of the work is improved water quality, pressure and reliability.

The Pennsylvania Infrastructure Investment Authority (PENNVEST) recently approved low-interest financing for Aqua to carry out the project. PENNVEST was established in 1988 to provide low-interest loans and grants to construct and improve water and wastewater collection and treatment systems.

"The recently approved PENNVEST financing will help reduce our interest expense on this capital project, which helps Aqua control its overall construction costs. Furthermore, we can direct savings into additional capital improvements to benefit other communities that Aqua serves," said Aqua Vice President and Regional General Manager Anthony J. Donatoni. "I would be remiss if I didn't acknowledge the efforts of State Representative Phyllis Mundy who was key in helping Aqua get the PENNVEST funding for this project," added Donatoni. "Representative Mundy has always fought hard to assure that her constituents get the most for their rate dollar and we appreciate her role in helping to get this important project underway."

Kingston Township is part of Aqua's White Haven division, which serves approximately 16,000 people in Monroe, Luzerne, Lackawanna, Northampton, Schuylkill, Wyoming and Susquehanna counties.

Aqua Pennsylvania is the largest subsidiary of Aqua America, Inc., the U.S.-based publicly traded water and wastewater utility holding company serving approximately 3 million people in 13 states.

WTRG

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