



Aqua America Chairman: Investor-Owned Water Utilities Lead the Way on Needed US Infrastructure Investments

BRYN MAWR, Pa.--(BUSINESS WIRE)-- Aqua America, Inc. (NYSE: WTR) Chairman Nicholas DeBenedictis said today that investor-owned water and wastewater companies like Aqua America are leading the way in solving America's water and wastewater utility infrastructure needs. Speaking before the National Association of Regulatory Utility Commissioners (NARUC) at their annual conference in Atlanta, DeBenedictis referred to the more than \$300 million Aqua America is investing in infrastructure this year and its plans to invest \$1.5 billion over the next five years.

"God continues to give us the water for free, but he's left the cost of laying the pipe and building the treatment facilities to us," said DeBenedictis. "Unfortunately, in too many cases many of the treatment facilities and much of the pipe are reaching or have passed the end of their useful life and now is the time to invest in America. Water utilities are the most capital intensive of all the utilities, having to invest more capital per-dollar of revenue earned than any of the utilities including electric, gas, telephone and cable.

"Recent headlines in major national newspapers, supported by data from the U.S. EPA and the American Society of Civil engineers, have provided great detail on the gravity of the problem," said DeBenedictis.

DeBenedictis said that although the state of our nation's drinking water and wastewater systems is grim, it's not all bad news. "We have a great chance to make lemonade out of lemons and that's what we're doing at Aqua America.

"When you look at what types of companies are actually putting their dollars and cents into the U.S. economy, the large regulated utilities are right there leading the way. And if you look further at how we're investing those dollars—replacing aged water mains and treatment plants for more safe and reliable service to our customers—you will see why utilities like Aqua America have played and will continue to play a key role in the solution to the restoration of our nation's water and wastewater infrastructure.

"At Aqua America, we have used our strong balance sheet and credit ratings, which have afforded us record low borrowing rates, to access the capital markets so we can rebuild our nation's water and wastewater systems. With the help of our shareholders—many of whom are attracted to our stock because of the dividend—we have virtually created our own economic stimulus plan, which has had a positive impact on the economies of the areas we serve by creating jobs and a sustainable water and wastewater infrastructure to support business."

DeBenedictis said that even after undertaking its major capital investment program, water is still among the cheapest of the utilities at a cost of about a dollar per day. This cost efficiency is important because pricing to pay for all this capital investment is permitted by various state regulatory bodies, which understand the need for consistent investment in the nation's water infrastructure.

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

This release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including the Company's continuation of its strategy for infrastructure improvements, the impact of infrastructure improvements, the Company's projected capital expenditures, the effect of the Company's credit rating and balance sheet on its access to capital markets and interest rates, and the role of private water utilities in addressing the nation's water infrastructure. There are important factors that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements including among others, the company's ability to access low-interest and tax-exempt financing programs; the company's ability to realize the benefits from low-interest or tax-exempt financing; the effect of the low-interest financing on the company's interest expense; the company's ability to successfully complete its infrastructure projects; general economic business conditions; changes in regulations or regulatory treatment; availability and cost of capital; and other factors discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009, which is on file with the SEC. We undertake no obligation to publicly update or revise any forward-looking statement.

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