



## **Aqua America Chairman Cites Need for Low Interest Loans and Expedited Capital Recovery for Private Water Utilities at Utility Regulatory Conference**

BRYN MAWR, Pa., Jun 23, 2009 (BUSINESS WIRE) -- Speaking before a conference of the Mid-Atlantic Regulatory Utility Commissioners in Hershey, Pennsylvania, Aqua America, Inc. (NYSE:WTR) Chairman and CEO Nicholas DeBenedictis said today that private water utilities can play a large and beneficial role in addressing the deteriorating state of the nation's water infrastructure.

During his remarks, DeBenedictis cited the Environmental Protection Agency's estimate of \$335 billion needed for repairs and replacement of transmission pipes, storage and treatment equipment, and other projects required to protect public health and to ensure compliance with the Safe Drinking Water Act (SDWA).

"Aqua America has been addressing the aging water infrastructure situation for decades," said DeBenedictis. "We have the 'shovel-ready' projects that EPA cites as necessary to ensure SDWA compliance." Aqua America spent \$1.2 billion on water quality and infrastructure projects during the five year period 2004 through 2008. "Progressive regulatory programs like the Distribution System Improvement Charge in Pennsylvania and the Quality Infrastructure Project Surcharge in Illinois promote the continuation of these important investments," said DeBenedictis.

Regulatory policies that incent reinvestment in infrastructure coupled with access to capital markets, including low interest loans (tax-exempt and state revolving loan funds), have helped Aqua America maintain a low cost of debt capital (below five-and-a-half percent). Aqua Pennsylvania, Inc., Aqua America's largest operating subsidiary, currently has an A+ corporate credit rating from Standard & Poors--a rating Aqua America believes is currently enjoyed by only one-in-four American companies. "Access to low-interest financing will help Aqua continue its long-term strategy of investing in infrastructure improvements to enhance future reliability and service for our customers," said DeBenedictis.

Aqua America, Inc. 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, Indiana, Florida, 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 on service to customers, the impact of regulatory programs on the Company's infrastructure investments 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 or 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.

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SOURCE: Aqua America, Inc.

### **Aqua America, Inc.**

Donna Alston  
Director, Communications  
610-645-1095  
[dpalston@aquaamerica.com](mailto:dpalston@aquaamerica.com)

or

Gretchen Toner  
Senior Communications Specialist  
610-645-1175

[gmtoner@aguaamerica.com](mailto:gmtoner@aguaamerica.com)

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