



## **Philadelphia Suburban Subsidiary Purchases Water System of Shickshinny Lake Association**

BRYN MAWR, Pa., Jun 14, 2002 (BUSINESS WIRE) -- Consumers Pennsylvania Water Company (CPWC), a subsidiary of Philadelphia Suburban Corporation (NYSE:PSC), has purchased the water system assets of the Shickshinny Lake Association, serving approximately 300 residents in Union Township, Luzerne County.

This is the fifth transaction in Northeastern Pennsylvania, a new area of concentration for PSC's growth-through-acquisition strategy.

CPWC assumed operations of the troubled water system in September 2001 and has made improvements to the system, including new interconnects to equalize pressure for the system. CPWC plans to install radio frequency meters soon. The acquisition is valued at \$205,000 including system improvements.

PSC Chairman Nicholas DeBenedictis said, "The acquisition of Shickshinny Lake Association's water system is a natural one for us. Since assuming operations of the company nearly a year ago we have made significant upgrades and are happy to be providing quality water to residents in this new housing development."

The Shickshinny Lake acquisition is one of nine growth ventures announced by PSC this year. The others are listed below.

1. January 2002 - Philadelphia Suburban Water Company (PSW) agreed to provide water service to the Pennsylvania State Correctional Institute (SCI Forest) that is under construction near Marienville in Jenks Township, Forest County. The prison will house up to 2,000 inmates.
2. February 2002 - PSW purchased the water system assets of Citizens Water Company of Wapwallopen, which serves approximately 180 residents in Conygham Township, Luzerne County.
3. February 2002 - Consumers New Jersey Water Company completed the purchased of the water system assets of the Bunnvale Mutual Water Association, which serves approximately 300 residents in Lebanon Township, Hunterdon County
4. March 2002 - PSC's Consumers Pennsylvania Water Company subsidiary purchased the water and wastewater system assets of the White Haven Municipal Authority, serving nearly 3,000 residents in Luzerne and Carbon counties.
5. April 2002 - PSC's Suburban Environmental Services (SES) subsidiary entered into a one-year contract with Foster Township, Luzerne County, to provide operations and maintenance services for the Hickory Hills wastewater collection and treatment facilities (approximately 850 residents) the Ag-Mar Village Estates wastewater collection and treatment facilities (approximately 300 residents).
6. April 2002 - Hydraulics Ltd., PSC's North Carolina subsidiary acquired by merger Piedmont Water Company, Inc., a private utility serving more than 10,000 residents in Iredell and Catawba counties in North Carolina. The acquisition is valued at \$1.36 million.

7. April 2002 - PSC and Pennichuck Corporation (NASDAQ:PNNW) of Nashua, NH announced they have entered a definitive agreement to merge in a stock transaction which, including the assumption of \$27 million of debt, has a total enterprise value of approximately \$106 million. Pennichuck currently serves approximately 30,000 customers (120,000 residents) in 23 communities throughout southern New Hampshire.
8. May 2002 - Hydraulics Ltd., PSC's North Carolina subsidiary acquired the Goss water system, a private utility with six water systems in eastern North Carolina that serve 850 residents in Durham, Chatham, and Person counties.

PSC is the holding company for regulated public utilities that provide water and wastewater services to approximately two million residents in Pennsylvania, Ohio, Illinois, New Jersey, Maine, and North Carolina. PSC's common shares are traded on both the New York and Philadelphia Stock Exchanges under the ticker symbol "PSC".

The company has been committed to the preservation and improvement of the environment throughout its history, which spans more than 100 years.

This press release contains forward-looking statements. These forward-looking statements are found in various places throughout this press release and include, without limitation, statements regarding the expected benefits of the acquisition and future growth.

While these forward-looking statements represent our judgments and future expectations concerning the development of our business and the benefits of the acquisition, a number of risks, uncertainties, and other important factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, the risk that anticipated benefits from the acquisition will not be obtained or not obtained within the time anticipated and other key factors that could adversely affect our business and financial performance contained in our past and future filings and reports, including those filed with the Securities and Exchange Commission.

PSC is not under any obligation (and each expressly disclaims any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.

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