



Aqua America Pennsylvania Subsidiary Gets Utility Commission Approval for 20-Year Bulk Water Sale Agreement

BRYN MAWR, Pa., Aug 01, 2008 (BUSINESS WIRE) -- Aqua America, Inc. (NYSE:WTR) announced today that its Pennsylvania subsidiary, Aqua Pennsylvania, Inc., has received approval from the Pennsylvania Public Utility Commission (PUC) of a 20-year contract for the company to serve as the sole water supplier to the Borough of Sharpsville in Mercer County. The borough system serves approximate 7,500 people in Sharpsville and neighboring South Pymatuning Township.

"The Sharpsville agreement expands our Shenango Valley Division service territory and represents another in our pipeline of growth opportunities that continue to expand our customer base in both the water and wastewater utility arenas," said Aqua America Chairman and CEO Nicholas DeBenedictis. He added that the Sharpsville agreement makes it possible for the borough to avoid spending more than \$10 million to rebuild an aging water treatment plant and meet the requirements of a consent decree with the Pennsylvania Department of Environmental Protection.

Aqua Pennsylvania will invest more than \$500,000 to build the infrastructure necessary to interconnect the systems and expects to begin delivering water (700,000 gallons/day) before the end of year. "This public/private partnership brings economies of scale and rate stability to a regional solution for water supply in the Shenango Valley," 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 and Philadelphia Stock Exchanges 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, extent and effect of the company's growth opportunities, the projected investment in and improvements to the subject system, the expected timing and effect of improvements to the system, and the expected benefits the agreement. 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 proposed improvements will not be made as projected or have the indicated costs for benefits; the costs related to the transaction; and other key factors that we have indicated 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. Aqua America is not under any obligation--and 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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SOURCE: Aqua America, Inc.

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