

## **Aqua Pennsylvania Files Rate Request**

## Cost Would Still Be about a Penny Per Gallon

BRYN MAWR, Pa., Nov 18, 2009 (BUSINESS WIRE) -- Aqua Pennsylvania, Inc. (Aqua) filed an application with the Pennsylvania Public Utility Commission (PUC) today requesting a \$5.51 a month (18 cents a day) increase in rates for a typical residential customer. Although the request--which would bring a typical monthly residential bill to \$53.79--asks that the new rates become effective January 21, 2010, the PUC typically suspends such requests for up to nine months (August 2010) to permit a complete investigation and analysis.

Aqua President Karl Kyriss said the primary reason for the rate request is the approximately \$500 million dollars that the company has invested in capital improvements to improve drinking water quality since its last rate request in 2007. "Approximately 73 percent of this rate request is driven by Aqua's capital investment to upgrade and rehabilitate its drinking water systems across the state," he said.

"The investments we've made range from installing state-of-the-art equipment at our water treatment facilities to ensure that water quality meets all of the U.S. Environmental Protection Agency's (EPA) standards, to replacing and rehabilitating more than 250 miles of aging water pipe to improve service reliability and ensure that quality water is delivered to customers' homes, and constructing and upgrading wells, pumps and storage tanks to enhance water pressure and fire protection."

With more than 400,000 customers throughout Pennsylvania, the company said its capital spending amounts to an average investment of about \$1,200 per customer - significantly more than what the typical residential customer pays annually for water.

If the PUC were to grant the entire request, Kyriss said, "The typical Aqua residential customer would still be able to have a day's worth of water (approximately 140 gallons) for approximately \$1.76-- or about a penny per gallon for quality water delivered directly to the customer's home."

According to the EPA, over the next 20 years, the nation's water systems need to invest about \$335 billion for pipes, tanks, valves and treatment plants. Kyriss said Aqua has taken a proactive approach to this nationwide problem by systematically replacing a small percentage of its distribution system annually. The company also maintains and upgrades its treatment plants and other facilities on a regular basis.

The increased annual revenue request for Aqua, which serves nearly 1.4 million people throughout the state, is \$43.2 million.

WTRF

SOURCE: Aqua Pennsylvania, Inc.

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