



Aqua Pennsylvania Reaches Agreement With East Whiteland Twp. to Purchase Municipal Wastewater Assets

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BRYN MAWR, Pa.--(BUSINESS WIRE)--Jan. 13, 2021-- Essential Utilities Inc. (NYSE:WTRG) announced today that its Pennsylvania wastewater subsidiary has signed an asset purchase agreement with East Whiteland Township, Chester County to acquire the municipality's wastewater assets for approximately \$55 million. The pending transaction is subject to Pennsylvania Public Utility Commission approval.

East Whiteland Township's wastewater system serves approximately 8,200 customer-equivalents including residential and commercial connections. The system is comprised of 57 miles of collection mains and 13 pump stations. The collection system accepts waste from the neighboring municipalities of Malvern Borough and Charlestown Township. Its waste passes through Aqua's Valley Creek Trunk Sewer line where it is treated at the Valley Forge Sewer Authority. Essential's unregulated subsidiary, Aqua Resources, purchased the 9-mile Valley Creek trunk line in December 2018, which consists of gravity sewers, force mains and two pump stations, from the Tredyffrin Municipal Township Authority.

"Acquiring the East Whiteland Township wastewater system allows us to bring the same professional and reliable service we provide to the water customers we already serve in East Whiteland," said Essential Chairman and CEO Chris Franklin. "We consider it a privilege to provide both water and wastewater solutions to communities, as it allows us to bring economies of scale in operations which help keep bills down for customers."

Aqua Pennsylvania Wastewater President Marc Lucca said the company anticipates the need for \$19 million in infrastructure improvements over the next decade including two major sewer extensions. "I would like to welcome the residents and businesses of East Whiteland and neighboring communities to the Aqua wastewater family, many of whom already receive our drinking water. Upon closing we are committed to work on the Planebrook and Bacton Hill roads' sewer extensions, which will enable us to expand public sewer service to several residents within the township who are currently on septic systems," said Lucca.

East Whiteland is the first APA executed by Aqua in 2021. Including East Whiteland, Aqua has five acquisitions currently under APA pending close representing \$420 million of rate base and approximately 225,000 customer equivalents. In 2020, the Company closed five acquisitions representing \$62.9 million in rate base and approximately 12,000 customer equivalents.

About Essential

Essential is one of the largest publicly traded water, wastewater and natural gas providers in the U.S., serving approximately 5 million people across 10 states under the Aqua and Peoples brands. Essential is committed to excellence in proactive infrastructure investment, regulatory expertise, operational efficiency and environmental stewardship. The company recognizes the importance water and natural gas play in everyday life and is proud to deliver safe, reliable services that contribute to the quality of life in the communities it serves. For more information, visit <http://www.essential.co>.

About Aqua Pennsylvania Wastewater

Aqua Pennsylvania Wastewater is a subsidiary of Aqua Pennsylvania and serves approximately 43,000 connections in 16 counties throughout the Commonwealth of Pennsylvania. Visit AquaAmerica.com for more information or follow Aqua on Facebook at facebook.com/MyAquaAmerica and on Twitter at @MyAquaAmerica.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, among others: the company's ability to receive governmental approval of the transaction and to successfully close the acquisition. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: general economic business conditions; the receipt of governmental approvals; the successful closing of the acquisition; the successful integration of the customers and the facilities; effects of pandemics or other widespread health problems; the ability to successfully implement our capital program; and other factors discussed in our Annual Report on Form 10-K, which is on file with the Securities and Exchange Commission. For more information regarding risks and uncertainties associated with Essential Utilities' business, please refer to Essential Utilities' annual, quarterly and other SEC filings. Essential Utilities 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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