Essential Utilities' Aqua Ohio Subsidiary Acquires Union Rome Sewer System

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BRYN MAWR, Pa.--(BUSINESS WIRE)--Jul. 10, 2023-- Essential Utilities Inc. (NYSE: WTRG) today announced its Aqua Ohio subsidiary completed the purchase of the Union Rome Sewer (URS) system for $25.5 million. The system includes a wastewater collection network and treatment plant serving 5,300 connections in Lawrence County, Ohio.

The URS system has been operating at a deficit for years. It is more than $20 million in debt and in need of millions of dollars in repairs and improvements to meet regulatory standards.

"I'm thankful Aqua is willing to take on improving the system," said Lawrence County Commissioner Dr. Colton Copely. "The Union Rome Sewer district is $20 million in debt and needs another $12 million in immediate upgrades. It just wasn't feasible for the County to continue to operate the system. Aqua has the resources to make needed updates that are so important to protecting the health and safety of the residents in this part of the County."

The transaction builds on Essential's regional expansion strategy, which delivers growth by investing in infrastructure that delivers clean, safe, and reliable natural resources to residential and business customers, including water and wastewater services.

More than $12 million of planned investments in five years

Essential plans to invest more than $12.7 million in the wastewater system within the next five years to meet regulatory and environmental demands. All URS employees were offered employment at Aqua, pending the company's standard hiring practices.

"After serving customers in western Lawrence County with water service for decades, we look forward to expanding our impact in the region by addressing the many infrastructure issues with the Union Rome sewer system," said Essential Chairman and CEO Chris Franklin. "We can uniquely support this community through our access to capital, technical expertise and economies of scale."

Union Rome is the second acquisition completed by Essential's regulated water segment in 2023, following the March acquisition of Pennsylvania-based North Heidelberg Sewer Company. Essential currently has signed seven purchase agreements for eight water and wastewater systems. Together these systems represent over 213,000 equivalent retail customers or equivalent dwelling units with nearly $355 million in purchase price. In 2022, Essential acquired three water and wastewater systems, which added approximately $120 million in rate base and more than 23,000 new customers or equivalent dwelling units to the company's footprint.

About Aqua Ohio

Aqua Ohio, the state's largest regulated water and wastewater utility, serves approximately 500,000 customers in 19 counties. Visit AquaWater.com for more information or follow Aqua on Facebook at facebook.com/MyAquaWater/ and on Twitter at @MyAquaWater.

About Essential Utilities

Essential Utilities, Inc. (NYSE: WTRG) delivers safe, clean, reliable services that improve quality of life for individuals, families, and entire communities. With a focus on water, wastewater and natural gas, Essential is committed to sustainable growth, operational excellence, a superior customer experience and premier employer status. We are advocates for the communities we serve, donating more than $4 million each year, and are dedicated stewards of natural lands, protecting more than 7,600 acres of forests and other habitats throughout our footprint.

Operating as the Aqua and Peoples brands, Essential serves approximately 5.5 million people across 10 states. Essential is one of the most significant publicly traded water, wastewater service and natural gas providers in the U.S. Learn more at www.essential.co.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which generally include words such as "believes," "expects," "intends," "anticipates," "estimates," "will" and similar expressions. The company can give no assurance that any actual or future results or events discussed in these statements will be achieved. Any forward-looking statements represent its views only as of today and should not be relied upon as representing its views as of any subsequent date. Readers are cautioned that such forward-looking statements are subject to a variety of risks and uncertainties that could cause the company's actual results to differ materially from the statements contained in this release. Such forward-looking statements include, but are not limited to, statements relating to the capital to be invested by the company over the next five years. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including the factors discussed in our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q, which is filed with the Securities and Exchange Commission. For more information regarding risks and uncertainties associated with The company's business, please refer to the company's annual, quarterly and other SEC filings. The company 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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