Essential Utilities Strengthens America's Infrastructure Through $1B+ Capital Improvement Program

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The company invested $1.3 billion in 2024 with $7.8 billion projected through 2029, addressing critical infrastructure needs highlighted in the American Society of Civil Engineers' 2025 Report Card

BRYN MAWR, Pa.--(BUSINESS WIRE)--Apr. 10, 2025-- As the American Society of Civil Engineers (ASCE) releases its 2025 Report Card for America's Infrastructure , highlighting the urgent need for sustained nationwide investment, Essential Utilities (NYSE: WTRG) reinforces its commitment to addressing infrastructure challenges. Through its billion-dollar capital improvement program, Essential is modernizing water and natural gas infrastructure across its nine-state footprint, ensuring safer, more resilient communities.

"The ASCE's 2025 report underscores what we have long recognized—our nation's infrastructure requires urgent, sustained investment," said Christopher Franklin, Chairman and CEO of Essential Utilities. "As one of the nation's largest water, wastewater, and natural gas providers, Essential has both a duty and a commitment to address this need – particularly in aging systems across our communities. Over the past five years, we have actively invested in vital infrastructure to ensure the safety, reliability and sustainability of essential services for generations to come. We will continue to be part of the solution with thoughtful, ongoing capital investment over the next five years."

Since 2020, Essential has invested more than $5.4 billion toward critical infrastructure projects. In 2024 alone, the company invested over $1.3 billion in long-term improvements, including:

- Replacing over 1,600 lead and galvanized water service lines, enhancing water quality and safety.
- Modernizing nearly 410 miles of aging water, wastewater and natural gas pipelines to improve reliability and reduce safety risks.
- Investing $4 million to replace 450 customer-owned lead service lines in Chester County, Pennsylvania, at no direct cost to homeowners.
- Upgrading the Manakin Farms Wastewater Treatment Facility in Goochland County, Virginia to reduce landfill sludge and improve environmental sustainability.
- Constructing a new 500,000-gallon water tower in Beau Rivage, North Carolina, to enhance water pressure and reliability for residents.

The report addresses hazardous waste concerns, highlighting contaminants like PFAS chemicals and lead, which received a 'C' grading, calling for ongoing investments in treatment systems and new technologies to protect public health. Additionally, the report graded the nation's aging and underfunded drinking water infrastructure as a "C-" and wastewater infrastructure as a "D+," urging continuous investment to address contaminants and meet evolving regulations as systems age.

Essential's water utility has proactively tested for PFAS in drinking water since 2017 and continues to implement advanced treatment technologies. In 2024, Essential invested $27 million in PFAS mitigation, seeking low-interest grants and loans to minimize financial impact on customers. In addition, the company allocated $23 million to lead service line remediation and replaced more than 1,600 lead or galvanized service lines to safeguard public health.

The energy sector received a grade of D+, citing the urgent need for investment to meet soaring energy demand, driven by the rise of data centers and net-zero goals. As part of its commitment to modernizing critical infrastructure, Essential continues to invest significantly to upgrade the energy infrastructure under its purview while supporting innovative efforts to meet growing demand. Natural gas plays a vital role in accommodating today's energy needs, providing a reliable, scalable solution to support resilience during peak demand periods.

The ASCE projects a $3.7 trillion gap between current infrastructure investment plans and the funding needed to upgrade existing systems, highlighting the urgent need to address decades of underinvestment and build more resilient, sustainable systems.

Looking ahead, Essential plans to invest more than $1.4 billion in 2025 and a projected $7.8 billion through 2029, tackling critical infrastructure challenges while preparing for future needs. These investments will directly improve service reliability, protect public health and ensure compliance with evolving regulatory standards.

The quadrennial ASCE Report Card for America's Infrastructure assesses the nation's infrastructure and assigns grades based on condition and investment needs. Essential Utilities remains at the forefront of modernizing America's essential services, strengthening safe and resilient communities for generations to come.

Learn more about how Essential is leading today and shaping tomorrow in its 2024 Annual Report.

About Essential
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 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 9 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 letter 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” and similar expressions and include the Company’s belief that it will invest $1.4 billion in capital in 2025, invest an annual average of approximately $7.8 billion through 2029. 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 water, wastewater, and gas distribution divisions of the Company. 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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