



Philadelphia Suburban Subsidiary Purchases North Carolina Piedmont Water Company

BRYN MAWR, Pa., Apr 18, 2002 (BUSINESS WIRE) -- Hydraulics Ltd., a subsidiary of Philadelphia Suburban Corporation (NYSE:PSC) has acquired by merger the Piedmont Water Company Inc., a private utility serving more than 10,000 residents in Iredell and Catawba counties in North Carolina.

The acquisition is valued at \$1.36 million.

Hydraulics will merge the existing system with the company's other systems located throughout Iredell, Mecklenburg and Gaston counties. The company will also invest approximately \$1.3 million to make upgrades to the existing system and ensure that customers have a quality water supply and reliable services.

PSC Chairman Nicholas DeBenedictis said, "The acquisition of the Piedmont Water Company demonstrates our commitment to expansion in North Carolina. We look forward to continued growth in the region and to bringing our water quality expertise to a growing number of area residents."

PSC entered the North Carolina region in 2000 with the \$1.1 million purchase of MidSouth Utilities, Inc., Sherrills Ford, N.C. The company expanded its presence in the region in 2001 with the \$4.5 million acquisition of Hydraulics, Ltd., Greensboro. With the Piedmont purchase, PSC now serves more than 25,000 residents and 22 counties in the region.

The Piedmont acquisition is the sixth growth venture announced by PSC this year. The others are listed below.

1. January 2002 - Philadelphia Suburban Water Company (PSW) agreed to provide water service to the Pennsylvania State Correctional Institute (SCI Forest) that is under construction near Marienville in Jenks Township, Forest County. The prison will house up to 2,000 inmates.
2. February 2002 - PSW purchased the water system assets of Citizens Water Company of Wapwallopen, which serves approximately 180 residents in Conygham Township, Luzerne County.
3. March 2002 - PSC's Consumers Pennsylvania Water Company subsidiary purchased the water and wastewater system assets of the White Haven Municipal Authority, serving nearly 3,000 residents in Luzerne and Carbon counties.
4. April 2002 - PSC's Suburban Environmental Services (SES) subsidiary entered into a one-year contract with Foster Township, Luzerne County, to provide operations and maintenance services for the Hickory Hills wastewater collection and treatment facilities, serving approximately 850 residents.
5. April 2002 - PSC's SES subsidiary entered into a one-year contract with Foster Township, Luzerne County, to provide operations and maintenance services for the Ag-Mar Village Estates wastewater collection and treatment facilities, serving approximately 300 residents.

PSC is the holding company for regulated public utilities that provide water and wastewater services to approximately two million residents in Pennsylvania, Ohio, Illinois, New Jersey, Maine, and North Carolina. PSC's common shares are traded on both the New York and Philadelphia Stock Exchanges under the ticker symbol "PSC".

The company has been committed to the preservation and improvement of the environment throughout its history, which spans more than 100 years.

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