

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 17, 2002

Philadelphia Suburban Corporation

(Exact name of registrant specified in Charter)

Pennsylvania

001-06659

23-1702594

(State or other
jurisdiction of
incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania

19010

(Address of principal executive offices)

Zip Code

Registrant's telephone, including area code: (610) 527-8000

Not Applicable

(Former name and former address, if changed since last report)

Item 5. Other Events.

The Press Release issued by the Registrant on December 19 2002
announcing the sale of a portion of the water operations of the
Registrant's subsidiary, Consumers Ohio Water Company, to Ashtabula
County, is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the
registrant has duly caused this report to be signed on its behalf by the
undersigned hereunto duly authorized.

PHILADELPHIA SUBURBAN CORPORATION

Dated: December 20, 2002

By: /s/ Roy H. Stahl

Name: Roy H. Stahl
Title: Executive Vice President
and General Counsel

EXHIBIT INDEX

Exhibit No. -----	Exhibit -----	Page -----
99.1	Press Release dated December 19, 2002 announcing the sale of a portion of the water operations of the Registrant's subsidiary, Consumers Ohio Water Company, to Ashtabula County.	5

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PSC OHIO SUBSIDIARY SELLS PART OF ASHTABULA WATER SYSTEM
Proceeds to support Ohio capital program

BRYN MAWR, PA, December 19, 2002 - Philadelphia Suburban Corporation (NYSE:PSC) said today that its Consumers Ohio Water Company (COWC) subsidiary has sold to Ashtabula County a portion of its Ashtabula County water system to the county for \$12.4 million plus additional amounts for related assets. The net gain resulting from the transaction is expected to exceed \$3 million or \$0.04 per share.

COWC has owned and operated the water system in the unincorporated areas of Ashtabula County since 1959 under an agreement with the county. Earlier this year, the county filed a condemnation action seeking to take these company assets. Subsequently, extensive negotiations between COWC and the county resulted in settlement of all outstanding actions.

PSC Chairman Nicholas DeBenedictis explained that the part of the system that was sold is not a substantial or growing part of the company's operations. "This sale represents less than one percent of PSC assets and an even smaller portion of its net income," said DeBenedictis. "COWC will retain parts of the system in Ashtabula County that serve approximately 10,000 residents in two cities and will also be paid a \$300,000 fee to manage the county's operations during the next year."

DeBenedictis added that the proceeds from the transaction will be redeployed to support COWC's growth and capital programs and facilitate deferral of the taxes on the gain. 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.

This release contains certain forward-looking statements involving risks, uncertainties and other factors that may cause the actual results to be materially different from any future results expressed or implied by such forward-looking statements. These factors may include, among others, the following: our ability to achieve the projected operation and maintenance revenues, our ability to redeploy the proceeds in a manner that will permit the company to defer the taxes on the gain; general economic business conditions; weather conditions affecting customers' water usage or the company's costs of operations; the success of cost containment initiatives; changes in regulations or regulatory treatment; availability and cost of capital; and the success of growth initiatives, including pending acquisitions.