



Philadelphia Suburban Corporation's Ohio Subsidiary Completes Merger With Applegrove Water Company

BRYN MAWR, Pa. - June 6, 2000--Philadelphia Suburban Corporation (NYSE:PSC) today announced that the Applegrove Water Company has merged with its Consumers Ohio Applegrove Water Company subsidiary in a stock transaction valued at approximately \$700,000.

The new company, which will be operated by PSC's Consumers Ohio Water Company (COWC) subsidiary, serves approximately 2,600 residents in Plain Township and the City of North Canton, both in Stark County, Ohio.

PSC Chairman Nicholas DeBenedictis said he was pleased with the timely regulatory approval the company received from the Public Utility Commission of Ohio (PUCO) for the merger. We were able to obtain approval for this merger from the PUCO within a month, said DeBenedictis. This is the sixth growth venture among our Consumers subsidiaries since our March 1999 merger and another example of the success we have had implementing our growth-through-acquisition strategy in the Consumers' service areas.

It is also the fifth growth venture PSC has announced this year for the entire company, which includes its Philadelphia Suburban Water Company (PSW) subsidiary.

The other growth venture announcements made by PSC this year were:

-- January 2000 - PSW reached an agreement of sale to purchase the Whitehorse Village retirement community water system that includes 500 residences and a 100-bed hospital in Edgmont Township, Delaware County.

-- January 2000 - Consumers New Jersey Water Company was awarded a three-year contract to provide meter reading, billing and cash remittance services to the Winslow Township municipal water system in Camden County which provides water and wastewater services to approximately 30,000 residents.

-- April 2000 - PSW's wastewater division purchased the Twin Hills wastewater system that serves approximately 750 residents in West Pikeland Township, Chester County.

-- May 2000 - PSW purchased the Fulmor Heights water system that serves approximately 1,000 residents in Hatboro Borough, Montgomery County.

Consumers Ohio Water Company is a subsidiary of PSC, one of the nation's largest investor-owned water utilities. Its PSW subsidiary serves more than one million residents in southeastern Pennsylvania, and its Consumers Water Company subsidiary serves approximately 800,000 residents in Pennsylvania, Ohio, Illinois, New Jersey and Maine.

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