



Philadelphia Suburban Purchases Fulmor Heights Water System

BRYN MAWR - May 17, 2000--Philadelphia Suburban Water Company (PSW), the largest subsidiary of Philadelphia Suburban Corporation (NYSE:PSC), announced today that it has purchased the Fulmor Heights water system in a transaction valued at \$160,000.

Fulmor Heights serves approximately 1,000 residents in the development of the same name in Hatboro Borough, Montgomery County.

PSW paid the association \$40,000 in cash and will make approximately \$120,000 of capital improvements to the system including new pipe, 15 new fire hydrants, and new individual meters with automatic reading devices for each of the 310 homes. The community will benefit from improved water pressure and fire protection as a result of the planned capital improvements.

The acquisition is the fourth growth venture announced by PSC this year. The others are:

- PSW's reached and agreement of sale to purchase the Whitehorse Village retirement community water system that includes 500 living units and a 100-bed hospital in Edgmont Township, Delaware County.
- Consumers New Jersey Water Company was awarded a three-year contract award 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.
- PSW's wastewater division purchased of the Twin Hills wastewater system that serves approximately 750 residents in West Pikeland Township, Chester County.

PSC is one of the largest investor-owned water utilities in the nation and serves nearly two million people through its water and wastewater utility operations in Pennsylvania, Ohio, Illinois, New Jersey and Maine.

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