



Philadelphia Suburban Completes Series of Growth Ventures During Third Quarter

BRYN MAWR, Pa., Oct 4, 2001 (BUSINESS WIRE) -- Philadelphia Suburban Corporation (NYSE:PSC) announced today that its Pennsylvania and Illinois subsidiaries collectively completed a series of five growth ventures during the third quarter of this year. In July, the company's Philadelphia Suburban Water Company (PSW) utility, which serves southeastern Pennsylvania completed the acquisition of the Icedale-Deer Run water system that serves 300 residents in Berks County, PA.

PSW also received permission from the Pennsylvania Public Utility Commission to serve additional territory in Pocopson Township, Chester County where it will provide water to a retirement home complex, Kendal at Coniston.

Also in July, PSC's Consumers Illinois Water Company acquired the Glendale water system that serves 300 residents in Danville, Illinois.

In September, PSC's Consumers Pennsylvania Water Company entered into operations and management contracts with the Schickshinny Lake Property Owner's Association, which serves 350 residents in Union Township, Luzerne County and the with the Wilson Hills Community Association, which serves 250 residents in Palmyra Township, Pike County.

Both contracts include "option-to-buy" clauses, on which PSC expects to act.

These transactions bring to 14 the number of growth ventures completed by PSC and its subsidiaries this year. Other growth ventures include the following:

-- January 2001 - PSC's Consumers Pennsylvania subsidiary received approval from the Pennsylvania Public Utility Commission to provide service to more than 1,200 residents in an area of southern Mahoning Township, Lawrence County, Pennsylvania.

-- January 2001 - PSC's North Carolina subsidiary merged with Hydraulics, Ltd. of Greensboro, a public water utility that serves approximately 16,000 residents in 22 counties surrounding the towns of Greensboro, Hickory, Raleigh and Gastonia.

-- January 2001 - PSC's Consumers New Jersey subsidiary entered into a one-year professional services contract to operate and maintain the wastewater collection system and pumping station serving the first phase of the Greenwich Chase development that currently serves approximately 450 residents.

-- February 2001 - PSC's Consumers Illinois subsidiary purchased the assets of the Walnut Hill Well Association, a small groundwater system serving 40 residents in Vermilion County.

-- March 2001 - PSW purchased the water system assets of the Springton Court homeowner community, which serves approximately 100 residents in West Brandywine Township, Chester County.

-- April 2001 - PSW acquired the water system assets of the Dresher Woods Condominium community located in Upper Dublin Township, Montgomery County, and serves approximately 400 residents.

-- April 2001 - PSW's wastewater subsidiary--Little Washington Wastewater Company (LWW), now doing business as Suburban Wastewater Company--purchased the Media Borough wastewater system in Delaware County, Pennsylvania which serves approximately 15,000 residents in Media Borough, and Upper Providence and Middletown Townships

-- May 2001 - Consumers Illinois Water Company (CIWC) purchased the Aroma Park municipal water system, which serves approximately 2,100 residents in Kankakee County (near Chicago)

-- PSW purchased the assets of the Geigertown Water Company that serves approximately 250 residents in Robeson and Union Townships, Berks County

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.

Editors Note: 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 include, among others, the following: general economic business conditions; the success of certain cost containment initiatives, changes in project schedules, project contingencies and variations in water purchases; changes in regulations or regulatory treatment; availability and cost of capital; and the success of growth initiatives.

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