



Philadelphia Suburban Subsidiaries Purchase White Haven Water and Wastewater Systems

BRYN MAWR, Pa., Mar 13, 2002 (BUSINESS WIRE) -- Philadelphia Suburban Corporation (NYSE:PSC) announced today that its Consumers Pennsylvania Water Company (Consumers) and Suburban Wastewater Company (SWC) subsidiaries have purchased the water and wastewater system assets of the White Haven Municipal Authority (White Haven), which collectively serve nearly 3,000 residents in Luzerne and Carbon counties, Pennsylvania, in a transaction valued at \$2.7 million and the assumption of White Haven's existing, low-interest PennVest loans.

"We are fortunate to have experienced, professional companies like Consumers and SWC acquiring White Haven's water and wastewater systems," said White Haven Municipal Authority Chairman Don Smith. "We have had the opportunity to work with Consumers and Suburban Wastewater Company over the past several months and are certain of the quality service they will bring to our customers."

PSC Chairman Nicholas DeBenedictis said the acquisition expands the utilities' operations in northeastern Pennsylvania. "Including White Haven, nearly half of the growth ventures PSC has completed since November have been in this area of the state, which is experiencing rapid growth," said DeBenedictis. "With our Consumers subsidiary, we have a strong base of operations, which has been key to our ability to create a critical mass for our expanding operations in the Poconos region of northeastern Pennsylvania. The acquisition is also beneficial for the Poconos, which now supports both vacationing and year-round residents, in that our plans to increase wastewater capacity and expand the water system will create new opportunities for growth and tourism in the area."

The White Haven acquisition is the third growth venture announced by PSC this year. The others are listed below.

1. January 2002 - 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 Coyneham Township, Luzerne County, (northeastern) Pennsylvania.

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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