Pennsylvania American Water Awarded Two PENNVEST Loans to Expand Water Service in Washington County

MECHANICSBURG, Pa. (July 26, 2024) – The Shapiro administration <u>recently announced</u> that <u>Pennsylvania American Water</u> was awarded low-interest financing from the <u>Pennsylvania Infrastructure</u> <u>Investment Authority</u> (PENNVEST), for two water main extension projects in Washington County totaling \$15.5 million. The loans will enable the company to bring safe, reliable public water service and increased fire protection capabilities to nearly 60 homes, a public school district and a fire department.

"We're thankful to PENNVEST for approving our loan request, as this financing will enable us to extend water mains to residents now living without adequate access to public water service," said Pennsylvania American Water Vice President of Engineering Bruce Aiton. "At Pennsylvania American Water, we strive to provide our customers with high-quality, reliable water service, and these PENNVEST-supported projects will enable us to achieve that goal in new communities that can truly benefit."

One PENNVEST loan of \$10.4 million will support the installation of approximately 6.5 miles of new water main along Avella Road (SR50) to extend water service to several Washington County communities in Cross Creek, Independence and Mount Pleasant townships as well as the Avella Area School District. The project will provide the opportunity for roughly 35 new customer connections and increase water pressure to enhance Avella Fire Department's fire protection capabilities.

The second loan, totaling \$5.1 million, will be used to install approximately three miles of new water main along Old Steubenville Pike and Campbell Road to extend water service to Robinson and Smith townships. This project will provide the opportunity for approximately 23 new customer connections that currently rely on private well water, offering benefits of improved water quality and pressure.

"The Shapiro Administration strives to safeguard every Pennsylvanian's right to the basic necessity of clean water. Ensuring the reliability of our water infrastructure is critical for the health of our communities. Now is the time to address clean water infrastructure," said PENNVEST Chairman Dr. Brian Regli in the Commonwealth's official announcement. "Through the support of federal funding provided by the Infrastructure Investment and Jobs Act, this is a once in a generational opportunity to access funding for projects throughout Pennsylvania."

The terms of both PENNVEST loans are 1.743 percent interest for the first five years and 2.179 percent for the balance of the 20-year loan period.

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