Pennsylvania American Water Completes Acquisition of Sadsbury Township Wastewater Collection System

MECHANICSBURG, Pa. (Nov. 1, 2024) – <u>Pennsylvania American Water</u>, a subsidiary of American Water (NYSE: AWK), announced today that it has completed the acquisition of the wastewater collection system assets of Sadsbury Township, Lancaster County. The newly acquired collection system currently serves approximately 250 customer connections.

"Pennsylvania American Water couldn't be more pleased to welcome the residents of Sadsbury Township as new wastewater customers," said Pennsylvania American Water President Justin Ladner. "We look forward to providing this community with safe, reliable service by delivering on our technical expertise and extensive wastewater experience."

Over the next six years, Pennsylvania American Water plans to invest more than \$1.5 million in Sadsbury Township wastewater collection system improvements. These improvements include targeted wastewater main and manhole replacements, technology and control systems, and lift station upgrades.

The \$990,000 purchase was approved by the Pennsylvania Public Utility Commission (PUC) on Sept. 12, 2024. In accordance with the PUC's approval, Pennsylvania American Water will adopt the rates currently being charged to Sadsbury residents. The PUC regulates the company's rates and rules and regulations of service; therefore, any future rate changes will require review and approval by the PUC.

"The township approved the sale for several reasons. The greater financial resources and the professional expertise of Pennsylvania American Water far surpass the ability of the township to operate and provide the much-needed investment in the wastewater system, particularly as it relates to everincreasing environmental and regulatory compliance matters," the Sadsbury Township commissioners said. "Additionally, the associated risks of managing a wastewater system and their unforeseen costs were a major factor in transferring the system to Pennsylvania American Water. The sale proceeds will greatly enhance the long-term financial security of the township as well."

Pennsylvania American Water offers multiple customer assistance programs, including its longstanding <u>H2O Help to Others Program</u>. For qualifying wastewater customers, the program offers grants of up to \$500 per year and a 37% to 85% discount on the total wastewater charges.

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