New Jersey American Water Completes Acquisition of South Orange Village Water System

Acquisition Adds 5,000 New Customers; $50 Million in Planned Infrastructure Investments

CAMDEN, N.J. – OCT. 7, 2025 – New Jersey American Water today completed its acquisition of the water system of South Orange Village for $19.7 million. This former municipally owned system, which serves approximately 5,000 water customer connections, has been operated and maintained by New Jersey American Water since 2016 through a contract between the company and South Orange Village. On Sept. 10, 2025, the New Jersey Board of Public Utilities approved the municipal consent, allowing New Jersey American Water to provide water service to South Orange Village customers directly as of the closing of the transaction.

The agreement to purchase the system was approved in a voter referendum in November 2024, in which 62% of South Orange voters approved the sale of the system. This expansion underscores New Jersey American Water's ongoing commitment to delivering safe, clean, reliable and affordable water and wastewater services. By integrating the new system into its operations, the company aims to enhance service reliability, advance infrastructure investments and improve operational efficiency for customers and the community.

"The completion of this acquisition reflects our continued commitment to delivering high-quality water service to the residents of South Orange," said Mark McDonough, President of New Jersey American Water. "With our longstanding familiarity with the system and a $50 million investment plan in place, we are well-positioned to modernize critical infrastructure, remove lead and galvanized service lines, enhance quality and increase reliability—all while delivering excellent customer service to the community."

As part of the agreement, New Jersey American Water will invest $50 million in infrastructure improvements within the first 10 years of ownership while keeping rates affordable for customers. Anticipated improvements to the system — which is over 100 years old in some areas — include identifying and replacing all lead and galvanized steel service lines as well as upgrading aging water mains and fire hydrants. Additionally, New Jersey American Water will replace the Crest Drive Standpipe and rehabilitate the Newstead Watersphere. Further improvements will be identified through a comprehensive analysis of the system, which New Jersey American Water will conduct upon taking ownership.

"Today's closing represents the culmination of the thoughtful planning and collaboration between our Water Utility Task Force, Village Council, administrative staff, engaged residents, and independent financial consultants," said South Orange Village Mayor Sheena Collum. "Our residents deserve a modern water system backed by the expertise and resources of a trusted utility, and together, we have determined this is the best path forward. With New Jersey American Water's proven track record and commitment to infrastructure investment, we are confident this partnership will deliver long-term benefits and peace of mind for our community."

Residents will receive additional information in the mail from New Jersey American Water in the coming weeks, and the information is also available now on a new, dedicated webpage on the company's website at newjerseyamwater.com under Customer Service and Billing. South Orange Village residents will now be able to take advantage of the company's customer service benefits, including its online account management portal, MyWater, as well as its H2O Help to Others program for qualifying customers needing help paying their bills.

New Jersey American Water remains focused on delivering industry-leading customer service, environmental stewardship and ongoing infrastructure improvements as it continues to grow and serve more communities across the state. This is New Jersey American Water's eighth acquisition in the last five years, adding more than 26,000 new water and/or wastewater customers.

About New Jersey American Water

New Jersey American Water, a subsidiary of American Water (NYSE: AWK), is the largest regulated water utility in the state, providing safe, clean, reliable and affordable water and wastewater services to approximately 2.9 million people.

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