

Pennsylvania American Water Awarded PENNVEST Funding Totaling \$42+ Million for Water and Wastewater Infrastructure Improvement Projects in Lackawanna and Montgomery Counties

Low-interest funding helps keep customer costs down while advancing water quality

MECHANICSBURG, Pa., Oct 22, 2026 /[PRNewswire](#)/ -- The Shapiro administration [yesterday announced](#) that [Pennsylvania American Water](#) was awarded grants and low-interest loans from the [Pennsylvania Infrastructure Investment Authority](#) (PENNVEST) totaling \$42,650,000. The funding will support water and wastewater infrastructure improvement projects in Lackawanna and Montgomery counties.

"At Pennsylvania American Water, we strive to provide our customers with high-quality, reliable water and wastewater services while also meeting environmental standards and state and federal regulations. We're thankful to PENNVEST for approving our funding requests and supporting us in that mission," said the company's vice president of engineering, Tony Nokovich. "These projects will have a positive impact on the service provided for our customers by enabling us to continue our efforts to improve water and wastewater infrastructure across the state."

A PENNVEST grant of \$3,020,943 and a loan of \$1,629,057 will fund the replacement of approximately 240 identified lead and galvanized water service lines in Norristown Borough, Montgomery County. The removal of all leaded components will provide direct water quality improvements to customers and is consistent with regulatory and Pennsylvania American Water initiatives to eliminate lead-containing lines from the public water supply system. Learn more at pennsylvaniaamwater.com/leadfacts. The loan interest rate is 1.00% for the full 20-year loan term. Federal funds are being used to finance the project.

"Lead exposure can be harmful to our health, even at low exposure levels," said State Rep. Greg Scott. "Children are especially at risk of lead poisoning and ongoing developmental issues if they're exposed to too much. Replacing the existing lead pipes that carry our drinking water into our homes is a significant means of stopping lead exposure in our community."

A PENNVEST loan of \$38,000,000 will fund the reduction of combined sewer overflows (CSOs) in the City of Scranton, Lackawanna County. The company will construct 0.4-million- and 2.0-million-gallon storage facilities to capture stormwater and sewage before untreated flows reach the Lackawanna River. The storage facilities will advance the region's efforts to reduce CSOs, protect water quality in the Lackawanna River and modernize the community's critical wastewater infrastructure. They will also help safeguard nearby neighborhoods and downstream communities by reducing the frequency of untreated discharges during wet weather. The loan interest rate is 1.00% for the full 20-year loan term.

"This \$38 million investment will address critical wastewater infrastructure needs in Scranton and help protect the Lackawanna River," said State Sen. Marty Flynn. "I want to thank Governor Shapiro and his administration for recognizing the importance of these improvements and making this funding possible. Through PENNVEST, Pennsylvania American Water can move forward with this project while benefiting from low-interest financing that reduces the overall cost of the improvements. Maintaining and improving the infrastructure we already rely on is a responsibility we cannot afford to overlook, and this investment will help ensure our wastewater systems remain reliable for years to come."

"Every Pennsylvanian has a constitutional right to clean water, and my Administration is committed to protecting that right by investing in the infrastructure our communities need," said Governor Josh Shapiro in the Commonwealth's official announcement. "We're helping communities modernize aging water and wastewater systems, replace lead service lines, and address emerging contaminants to protect public health and ensure our residents have access to clean, safe drinking water for generations to come."

Since July 2024, PENNVEST has awarded Pennsylvania American Water more than \$304.2 million in funding,

including \$32.7 million in grants and \$271.5 million in low-interest loans to support statewide water and wastewater infrastructure projects.

About American Water

American Water (NYSE: AWK) is the largest regulated water and wastewater utility company in the United States. With a history dating back to 1886 and celebrating 140 years in 2026, We Keep Life Flowing® by providing safe, clean, reliable and affordable drinking water and wastewater services to approximately 14 million people with regulated operations in 14 states and on 19 military installations. American Water's approximately 7,000 talented professionals leverage their significant expertise and the company's national size and scale to achieve excellent outcomes for the benefit of customers, employees, investors and other stakeholders. For more information, visit amwater.com and join American Water on [LinkedIn](#), [Facebook](#), [X](#) and [Instagram](#).

About Pennsylvania American Water

Pennsylvania American Water, a subsidiary of American Water, is the largest regulated water utility in the state with approximately 1,200 dedicated employees working to provide safe, clean, reliable and affordable water and wastewater services to approximately 2.5 million people.

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