

FOR IMMEDIATE RELEASE

Susan Turcmanovich
Pennsylvania American Water
T: 570-830-6520
Pager: 888-441-2138
susan.turcmanovich@amwater.com

PENNSYLVANIA AMERICAN WATER ANNOUNCES \$1.8 MILLION WATER LINE UPGRADE IN WEST SIDE COMMUNITIES

Project will replace more than two miles of aging pipe dating back to the 1890s

WILKES-BARRE, Pa. (April 16, 2012) – Pennsylvania American Water today announced upgrades to nearly 11,000 feet of water main in several Luzerne County communities to improve reliability for customers, reduce service disruptions and increase water flows for firefighting. Additionally, six fire hydrants will be replaced. The cost of the system improvements, which replaces water main dating back to the 1890s, is approximately \$1.8 million.

Pennsylvania American Water broke ground on several projects in early April, replacing existing cast iron water mains with new eight-inch ductile-iron pipe in the following communities:

- Grove Street, Edwardsville – Replace 1,300 feet of existing four-inch pipe
- Oliver Street, Swoyersville – Replace more than 2,000 feet of four-inch main
- Tripp Street, Forty Fort – Install 3,500 feet of new eight-inch pipe, replacing existing four-inch water main
- Dana Street, Forty Fort – Replace 3,000 feet of existing four-inch pipe

Also beginning April 16, the company will replace 1,100 feet of existing two-inch main long Warren Street and South Pioneer in Trucksville new eight-inch water main.

The company expects to complete the water main installation, including transfer of all customer services and final paving restoration, by late June.

During construction, customers might experience temporary service interruptions, discolored water and/or lower than normal water pressure. Crews will work as quickly as possible to shorten the length of these temporary inconveniences. For more information, contact Pennsylvania American Water's customer service center at 1-800-565-7292.

Pennsylvania American Water, a wholly owned subsidiary of American Water (NYSE: AWK), is the largest water utility in the state, providing high-quality and reliable water and/or wastewater services to approximately 2.2 million people. Founded in 1886, American Water is the largest publicly traded U.S. water and wastewater utility company. With headquarters in Voorhees, N.J., the company employs more than 7,000 dedicated professionals who provide drinking water, wastewater and other related services to

an estimated 15 million people in more than 30 states, as well as parts of Canada. More information can be found by visiting www.amwater.com.

This release contains forward looking statements, including, among others, our plan to continue our long-term strategy of capital investment in our systems. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: general economic business conditions, unfavorable weather conditions, changes in regulations or regulatory treatment and availability and the cost of capital. We undertake no obligation to publicly update or revise any forward-looking statement.

#