



American Water Announces Executive Changes

Voorhees, NJ - January 24, 2006

American Water, the largest and most geographically diversified provider of water services in North America, today announced the appointment of Ellen Wolf as senior vice president and chief financial officer effective March 1, 2006. Upon joining the company, Wolf will also be elected to the company's Board of Directors.

Wolf served as vice president and chief financial officer for American Water prior to the company's sale to RWE. In that position, Wolf led the team involved in the sale process as well as the required regulatory approval process. After leaving American Water, Wolf joined USEC Inc. in December 2003, where she is completing responsibilities as senior vice president and chief financial officer. Wolf resides in Voorhees with her husband and three children.

Effective with Ellen's appointment, John Bigelow, currently chief financial officer, will become senior vice president to lead the company's regulatory programs, including rate case activity and approvals related to the transfer of new ownership. In addition, Bigelow will be responsible for enterprise risk management.

"I am delighted that Ellen has agreed to return to American Water to help lead the company as we transition to new ownership," said George MacKenzie, American Water interim chief executive officer. "Ellen has the highest integrity, and with her knowledge of the business and the industry, she is uniquely qualified for this position. With RWE's announcement last November that it will be selling American Water, Ellen's previous experience will be especially valuable."

"I became acquainted with Ellen as our acquisition of American Water was nearing completion," said RWE Chief Executive Officer Harry Roels. "I was impressed with her knowledge of the business and respected the way she led the American Water transition team. I think George MacKenzie has made an excellent choice."

MacKenzie continued, "John has done a fine job leading the company's finance functions as part of RWE's Water Division. I am pleased to have him leading the regulatory process especially as we transition to new ownership."

During his career with American Water, Bigelow held a variety of senior management positions with increasing responsibility including Vice President and Treasurer of New Jersey American Water and Vice President of Business Services for American Water which involved leading the company's transition to a national customer service center. He has been chief financial officer since December 2003.

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