



American Water Announces 500,000th Customer Contract

Company Experiences Landmark Success with Service Line Protection Programs

Voorhees, NJ - November 27, 2006

American Water, the largest water services provider in North America, announced today it has signed its 500,000th service line protection program customer contract. Managed by the company's Homeowner Services Group, American Water's full array of service line protection programs include a Water Line Protection Program (WLPP), Sewer Line Protection Program (SLPP) and In-Home Plumbing Emergency Protection Program (IHPP).

"The enrollment of our 500,000th customer contract evidences the value of our programs," said Sharon Cameron, Vice President of American Water's Homeowner Services Group. "This achievement marks a huge milestone in American Water's long history of providing excellent customer service."

American Water's Homeowner Services Group provides a broad spectrum of service line protection programs. The WLPP and SLPP are designed to protect homeowners from the high cost of water and sewer line repairs related to unexpected emergencies that are not typically covered by homeowner's insurance. Both programs are available to American Water residential customers and cover leaks and breaks in water lines, as well as clogs or blockages in sewage lines running from the home to the street.

The recently introduced IHPP covers plumbing emergency repairs for leaks, breaks or clogs that occur within the home and are caused by normal wear and tear. The program covers common in-home plumbing repairs, such as a clogged sink, an overflowing toilet, a leaking hot water heater valve or a leaking washing machine valve.

In addition to residential customers, American Water also extends its service line protection programs to municipalities. LineSaver(TM) is a solution for service line repairs that are neither the responsibility of a municipality's water department, or covered by homeowners' insurance. At no cost to the municipality, the experts at American Water's Homeowner Services Group fully manage LineSaver(TM), and will take care of all requirements for developing and implementing the program, from establishing a local contractor network and providing customer service, to educating the community about service line ownership and responsibility.

Cameron continued, "It gives me personal satisfaction that our customers have the ability to protect themselves in emergency situations, and that entire communities can benefit from customized programs for municipalities."

American Water currently offers the WLPP and SLPP to residential customers in 12 states, including Arizona, Iowa, Indiana, Illinois, Kentucky, Missouri, New Jersey, New York, Ohio, Pennsylvania, Tennessee and West Virginia. The company expects to launch these programs in California and Virginia in the coming months.

The IHPP is currently available to American Water customers in nine states: Arizona, Illinois, Indiana, Iowa, Missouri, New Jersey, New York, Ohio and Tennessee.

The service line protection programs are offered through American Water Resources, a subsidiary of American Water. With headquarters in Voorhees, NJ, American Water employs approximately 7,000 dedicated professionals who provide high quality water, wastewater and other related services to more than 18 million people in 29 states and Canada.

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