Aqua Pennsylvania: Providing Water and Wastewater Solutions to Local CommunitiesBy: Tom Rafferty, Director of Business Development and Krista Weeks, Manager of Business Development

{Editor's note: this blog is the fifth and final blog in a five-part series by Aqua Pennsylvania highlighting different aspects of the company including a history of Aqua, background on infrastructure upgrades, environmental impact and emergency preparedness.}

Many people believe their infrastructure systems — if they think of them at all — have little impact on their day-to-day lives, when actually, infrastructure like roadwork, power supply systems and water and wastewater systems are key to daily life and successful, thriving communities. The truth of the matter is that without functioning water and wastewater services, houses, businesses, schools, hospitals and other essential services would not function. Unfortunately, as previously mentioned in Aqua's "Cost of Service" blog, much of the infrastructure across our region, state and country is neglected. Repairing and replacing infrastructure is vital to serving a growing community's families, businesses and institutions, such as hospitals, schools, places of worship and others. Aqua Pennsylvania strives to be a solution for municipalities that are struggling to provide this fundamental service.

The telltale signs of aging infrastructure are many. In the case of water and wastewater systems, pipes leak and break, disrupting customer service and affecting the environment. Rust can accumulate inside unlined cast iron pipes, which can reduce flow capacity and worsen water quality. Just as roads need to be repaired or resurfaced, water distribution systems and wastewater collection systems must be replaced, and water and wastewater treatment facilities require consistent attention to ensure equipment and technology are current and comply with new regulations. In addition to inefficiencies and operations issues, the impact of neglected infrastructure can lead to regulatory compliance issues, such as sanitary sewer overflows that damage the environment. Lack of investment in these systems is a significant issue in their continued degradation, reduced quality of service and environmental impact. This investment requires dedicated professionals who balance the need for prudent infrastructure improvements with their effects on customer rates.

Municipalities that operate their own water and wastewater systems have many competing priorities including local education, commerce and economic development; emergency response systems including police and fire; public recreation and other public works like highway maintenance and trash removal. Maintaining water and wastewater infrastructure may not always be the highest priority. This scenario may put at risk the very water and wastewater systems their community requires, as leaders weigh the benefits of necessary infrastructure improvements against increased taxes or customer rates. Higher taxes or rates could also hamper economic growth as businesses might be inclined to move into areas where costs are lower.

Partnering with a regulated water utility like Aqua can provide municipal leaders the opportunity to resolve their water and wastewater system problems and have access to money that will enable them to address other priorities without increasing taxes. Aqua's 135 years of industry experience includes building, replacing and upgrading facilities. This expertise, coupled with its financial stability, is invaluable and enables Aqua to work with municipal leaders to resolve problems in a way that works best for their individual communities.

Here are some examples of how municipalities have partnered with Aqua to improve infrastructure and plan for growth and the benefits it brought to the municipality and its residents:

Cheltenham

In 2019, Aqua acquired the troubled Cheltenham Township, Montgomery County wastewater system, which had for many years struggled to operate and maintain environmental compliance. Their struggling operations resulted in a consent order and corrective action plan mandated by the Pennsylvania Department of Environmental Protection (DEP), which limited permits for new sewer connections identified by the township. Cheltenham was able to transfer to Aqua responsibility for its corrective action plan, avoiding an estimated \$80 million in capital costs. Selling its system to Aqua enabled Cheltenham to have its system deficiencies corrected and its operations managed by a professional utility. Aqua engineers are working on an approach to satisfy the requirements of the DEP at a lower cost.

Limerick

Aqua acquired the Limerick wastewater system in 2018, enabling the township to ensure consumer rate protection for years to come, guarantee the hiring of all of its wastewater employees by Aqua, ensure the maximum value for its assets to avoid a tax increase, and complete township infrastructure projects, including a new township building and paid fire protection service.

Treasure Lake

When Aqua took ownership of the Treasure Lake system near Dubois, Clearfield County in 2013, the Pennsylvania Public Utility Commission (PUC) and the DEP considered it troubled. Now, eight years later, Aqua has invested tens of millions of dollars to correct legacy water quality issues through the addition of a new well and improved treatment processes. The increased capacity will accommodate planned growth and fire protection that did not previously exist. Wastewater upgrades to the treatment plant, lift stations and sewer lines have addressed sanitary sewer overflows and regulatory compliance issues.

Emlenton Borough

The DEP issued a boil water order on April 29, 2008 for the water system that serves Emlenton Borough and Richland Township in Venango County, and Richland Township in

Clarion County in western Pennsylvania. The PUC brought the water system to the attention of Aqua, which became its certified operator under an emergency order on Nov. 21. On Dec. 30, Aqua purchased the system and immediately began work that enabled the DEP to lift the boil water advisory just 23 days into Aqua's ownership. To date, Aqua has invested more than \$17 million to improve the Emlenton water system including the construction of a 288,000-gallon-per-day water treatment plant, the replacement of 11,400 feet of old water main, and improvements to the existing water reservoir. Aqua has since bought the borough's wastewater system and spent more than \$8 million on improvements.

We look forward to working with the municipalities that have entrusted us to serve their residents and making the necessary improvements to meet our state's infrastructure needs. We will continue to be a solution for communities and generations to come.

Aqua Pennsylvania serves approximately 1.4 million people in 32 counties throughout the Commonwealth of Pennsylvania. Visit AquaAmerica.com for more information or follow Aqua on Facebook at facebook.com/MyAquaAmerica and on Twitter at @MyAquaAmerica.