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BUCKS COUNTY WATER AND SEWER AUTHORITY ANNOUNCES AGREEMENT WITH THE PHILADELPHIA WATER DEPARTMENT

Philadelphia, PA & Warrington, PA (March 8, 2005) – The Bucks County Water and Sewer Authority (BCW&SA) announced today an agreement with the Philadelphia Water Department to continue working together to provide quality sewer service to customers across the region.

The agreement includes the following:

- The Philadelphia Water Department will provide BCW&SA an additional 4 million gallons of capacity for which the Authority is paying \$4 million. This is a cost savings of approximately \$12 million for the Authority, which would have been needed to build a new treatment facility if the agreement had not been reached.
- The agreement between the Philadelphia Water Department and BCW&SA for the Philadelphia Water Department to treat sewage will be extended for 15 years, from 2023 to 2038.
- The Bucks County Water and Sewer Authority will contribute \$13.5 million for plant improvements required to expand the capacity of the Northeast Water Pollution Control plant. These improvements will accommodate normal flows as well as flows during peak times, such as storms.
- The \$17.5 million will be paid along with other sums due to the Philadelphia Water Department in two approximately equal payments in May and August of this year.
- The Philadelphia Water Department has agreed to release planning modules for projects that had been denied because of a lack of adequate contracted treatment capacity.

 The Authority has agreed to a maximum daily flow of 37 million gallons per day beginning January 1, 2008, and reducing to 33 million gallons per day as of January 1, 2012.

Benjamin Jones, Executive Director of the Bucks County Water and Sewer Authority stated, "We are thrilled that we have finally reached an agreement with the City. Not only are the terms agreeable to both parties, but also we are finally able to continue work on the jobs that were affected by these negotiations. We look forward to continuing our work with the City to provide quality service to our neighbors."

Philadelphia's Water Commissioner Bernard Brunwasser stated, "We look forward to continuing to deliver this vital service to the people of Bucks County and to assist the County in providing the needed wastewater treatment capacity to allow economic development to continue."

The Bucks County Water and Sewer Authority, a non-profit agency, was created by the County Commissioners in 1962 to assist local municipalities with the installation of water and sewer service. The Authority's mission is to provide quality service at an environmentally safe manner at an affordable rate, and to educate our customers and future customers on water conservation. More information on the Authority can be found on the Web site www.bcwsa.net.

The Philadelphia Water Department and Water Revenue Bureau serve the Greater Philadelphia region by providing integrated water, wastewater, and storm water services. The utility's primary mission is to plan for, operate, and maintain both the infrastructure and the organization necessary to purvey high quality drinking water, to provide an adequate and reliable water supply for all household, commercial, and community needs, and to sustain and enhance the region's watersheds and quality of life by managing wastewater and storm water effectively. In fulfilling its mission, the utility seeks to be customer-focused, delivering services in a fair, equitable, and cost-effective manner, with a commitment to public involvement. Having already served the City and region for nearly two centuries, the utility's commitment for the future includes an active role in the economic development of Greater Philadelphia and a legacy of environmental stewardship. The Philadelphia Water Department has provided wastewater treatment

services to the Bucks County Water and Sewer Authority for over thirty years. Further information about the Water Department can be obtained at www.phila.gov/water.