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**DELCORA Explores Merger to Benefit Ratepayers
Signs Letter of Intent with Aqua Pennsylvania Wastewater**

CHESTER, PA (July 16, 2019) – The Delaware County Regional Water Quality Control Authority (DELCORA) announced today that its board of directors voted unanimously to enter into a non-binding letter of intent to explore the possibility of merging DELCORA with Aqua Pennsylvania Wastewater. The letter allows both organizations to share information and conduct due diligence to determine the feasibility of a merger.

The decision to explore this option comes as DELCORA faces significant capital costs to comply with an Environmental Protection Agency Consent Order and Agreement in Philadelphia and a Consent Decree in Chester. The consent decree mandates that municipal wastewater authorities take steps to manage combined sewer systems including building new or replacing existing infrastructure. As these mandates are unfunded, municipal authorities typically must increase rates to pay for the new capital costs. For more information, go to <https://bit.ly/2Y7kPzB>

“For almost 50 years DELCORA has always put the interests of our customers and ratepayers first,” said DELCORA Executive Director Robert J. Willert. “Due to several hundred million dollars in capital costs to comply with the EPA Consent Decree, we began exploring ways to partner with an organization who could help us keep rates stable over time. This letter of intent allows us to explore how we might work with Aqua to amortize these capital costs for the benefit of our customers and ratepayers.”

The DELCORA Board set out several key principles in seeking a partner which will guide these discussions. These principles are: maintain stable rates for customers; protect all DELCORA jobs; knowledge, understanding and appreciation for the local community; a commitment to the same high quality service and environmental standards; and access to capital for future compliance with the EPA Consent Decrees and future environmental mandates.

“DELCORA has earned a reputation as an exceptionally well-run wastewater authority,” said Marc Lucca, president of Aqua Pennsylvania. “Our goal is to leverage DELCORA’s expertise to become the core of our operations and growth in wastewater management.”

About DELCORA

The Delaware County Regional Water Quality Control Authority (DELCORA) is a municipal authority with an almost 50-year history of successfully treating wastewater for approximately 500,000 customers in 42 municipalities in Delaware and Chester counties. It is an independent municipal authority overseen by a board of directors.