Conversion to CNG Vehicles

Aqua America
May 31, 2012
Pennsylvania and Energy

- Marcellus Shale is Pennsylvania’s next big energy resource
- Pennsylvania needs infrastructure to support this new industry
- An important use of natural gas is to fuel vehicles and replace foreign oil
CNG Vehicles and Aqua’s Fleet

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<th>Fuel Cost Comparison (estimates)</th>
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<tr>
<td>Aqua Gasoline</td>
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<td>3.65 per gallon</td>
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- 30-50% less expensive to operate
- Advantage of CNG surplus
- Supports company’s green initiatives
- Aqua plans to support Pennsylvania’s energy resource and convert our entire fleet as CNG gains popularity and more vehicles are developed
Aqua’s Current CNG Vehicles

- Introduced pilot program in 2011
- Employee education resulted in support of CNG
- Successful pilot resulted in order of three CNG vans
- Converting entire dump truck fleet over the next five yrs.
- Dump trucks use the most fuel in our fleet
- Tank capacity: 60 DGE or diesel gallon equivalent
- Extra costs $40-50,000 > conventional diesel vehicle
Aqua Fuel and Fuel Suppliers

• Final permitting stages with Springfield Township for two slow-fill stations in our Springfield Operations Center

• A slow-fill station that simultaneously fills four vehicles is estimated at $50,000

• Determined adequate PECO natural gas supply is available at Aqua’s Willow Grove complex and will evaluate locating a “slow-fill” station there in 2013

• Negotiated an agreement with PECO Energy to supply (fast-fill) CNG fuel to Aqua at Berwyn, Plymouth Meeting, Eddystone, Phoenixville

• Currently more fill stations are being developed in the area