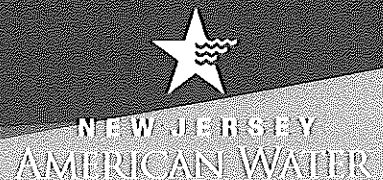


PRESS RELEASE



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Houses that Save Water (and Money) in Camden

Housing development designed to be nation's First urban community of EPA WaterSense homes, with Grant from New Jersey American Water

Voorhees, NJ (Jan. 31, 2012)—Twelve new single family homes slated to be built in Camden's Cramer Hill neighborhood will be designed with water conservation in mind, and will be labeled through the Environmental Protection Agency's WaterSense program. The Nueva Vida III homes will be the first urban community of such dwellings in the United States. The development, part of the Cramer Hill Community Development Corporation's programming, is made possible by a Neighborhood Revitalization Tax Credit grant of \$750,000 from New Jersey American Water.

"We are very serious about our responsibility to provide high-quality, reliable water to our customers in New Jersey. And, we are just as committed to contributing to the quality of life in those communities where we provide that water service," said New Jersey American Water President David K. Baker. "This innovative housing project allows us to combine our commitment to the community with our emphasis on wise water use."

At the announcement to launch the project, Camden Mayor Dana L. Redd said, "I am truly happy that the Nueva Vida III project will be the first urban neighborhood homes to be labeled as EPA labeled WaterSense homes. This means that the future Camden homeowners who will live in the Nueva Vida homes will have state-of-the-art houses that not only look beautiful and have WaterSense approved appliances, but will also help them save money. I am grateful that the Cramer Hill CDC agreed to build the Nueva Vida homes and to New Jersey American Water for the funding."

New Jersey American Water, a wholly owned subsidiary of American Water (NYSE: AWK), is the largest investor-owned water utility in the state, providing high-quality and reliable water and/or wastewater services to approximately 2.5 million people. Founded in 1886, American Water is the largest publicly traded U.S. water and wastewater utility company. With headquarters in Voorhees, N.J., the company employs more than 7,000 dedicated professionals who provide drinking water, wastewater and other related services to approximately 15 million people in more than 30 states and parts of Canada. More information can be found at www.amwater.com.

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