



**FOR IMMEDIATE RELEASE**

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## **UTILITIES, INC. ANNOUNCES PLAN TO ACQUIRE LOUISIANA SEWERAGE DISTRICT**

**Northbrook, IL** - September 25, 2008 - Utilities, Inc., and its subsidiary Utilities, Inc. of Louisiana (UIL), have announced UIL's plan to acquire the sewer collection system assets of Sewerage District No. 6 in St. Tammany Parish, Louisiana. The District was formed in 1985 to serve residential and commercial development in the area between Abita Springs and Covington. The District now serves approximately 900 customers including the Abita Brewery.

Following the offer from Utilities, Inc., the Board of Directors of Sewerage District No. 6 called an election for October 4, 2008 to allow the District voters to approve the transaction. If approved, Utilities, Inc. plans to close the transaction within 30 days of the election and immediately start the interconnection process.

Utilities, Inc. is a national water and wastewater utility that serves primarily residential and light commercial customers in 15 states, including Louisiana. Utilities, Inc. is one of the largest privately owned water and wastewater utilities in the country.

"We are extremely pleased to have the opportunity to expand our service area in St. Tammany Parish and provide the customers of Sewerage District No. 6 with sewer service and rates they have enjoyed for many years. We look forward to working with the Louisiana Public Service Commission to incorporate the Sewerage District No. 6 customers into Utilities, Inc. of Louisiana and to fully utilize our new Arrowwood Wastewater Treatment Plant," says Larry Schumacher, President and CEO of Utilities, Inc. "This is an important step in assisting the region with long planned consolidation efforts and improving the waterways in the St. Tammany area through environmentally responsible wastewater management."

Throughout its history, Utilities, Inc. has demonstrated a successful pattern of providing capital to meet business development and expansion strategies. Moreover, the company has demonstrated a commitment to state-of-the-art environmental water and wastewater technologies.

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Utilities, Inc./Sewerage District No. 6  
September 26, 2008

“Our company is proud of our history of acquiring water and wastewater systems with extensive needs for capital and using innovative solutions and solid financial decisions to maintain affordable service,” says Delos Williams, Regional Director of Louisiana Operations for Utilities, Inc. “This particular opportunity will allow Sewerage District No. 6 to avoid millions of dollars in capital improvements to its wastewater treatment plant which would result in 40% or greater rate increases. Our Arrowwood Wastewater Treatment Plant is within 250 feet of the Sewerage District No. 6 force main so we can interconnect the Sewerage District No. 6 Wastewater Collection System to our plant and bypass the old Sewerage District No. 6 plant; hence avoiding more than \$3.5 Million in capital for plant expansion and upgrades. Our offered acquisition price will allow the District to retire all bond debt and pay all outstanding liabilities required to dissolve the District. The District has faced significant fines for discharge violations from the Louisiana Department of Environmental Quality (LDEQ); however, once LDEQ was notified of the pending sale to Utilities, Inc., the fines were reduced.”

Utilities, Inc. is experienced in managing virtually every type of water and wastewater facility, from the most fundamental to the most advanced equipment and processes. State-certified operators and professional staff ensure the quality of services and the integrity of systems.

The Board of Directors for Sewerage District No. 6 is currently moving forward with the election scheduled for October 4<sup>th</sup> to allow the voters to decide if they want Utilities, Inc. to acquire the assets of their sewer district or find another alternative, which could mean rate increases of 40% or greater.

About Utilities, Inc.:

Utilities, Inc. was formed in 1965 to provide developers with an alternative method to obtain water and wastewater utility service. Today, Utilities, Inc., a portfolio company of AIG Highstar Capital, through its approximately 90 subsidiaries, operates over 500 utility systems in 15 states and serves over 300,000 customers.

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