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# News Release

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FOR IMMEDIATE RELEASE

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## YORK WATER COMPANY FILES A RATE REQUEST

**York, Pennsylvania, May 16, 2008:** The York Water Company (NASDAQ:YORW) on May 16, 2008 asked the Pennsylvania Public Utility Commission (PPUC) for a general increase in rates. If granted immediately, the rate increase would be effective July 15, 2008, however it is customary for the PPUC to suspend the request for up to nine months (February 2009) so that it may review the case in detail.

If the increase were granted in its entirety, the typical residential customer would pay an additional \$6.35 per month (21 cents per day), the typical commercial customer would pay an additional \$27.62 per month (92 cents per day) and the typical industrial customer would pay an additional \$104.52 per month (\$3.48 per day). Even at the increased rates, the cost of water is under a penny per gallon.

Jeffrey R. Hines, President and CEO, said the increase is necessary to pay for approximately \$41 million in capital investments that the Company has made since its last rate request in 2006. The capital investments were made to reinforce, replace and reline aging water mains, provide redundancy in case of emergencies, to increase water quality and operational efficiency through upgrades to facilities and equipment, expansion and improvements of the Filter Plant and other facilities to better meet current and upcoming regulations, and for replacements of other aging infrastructure which improves reliability of service.

In addition to capital investments, the Company is also seeking to recover increased costs of electricity, chemicals, and fuel, and increases in normal operations and maintenance expenses.

Hines said that "York Water faces the same cost increases that currently impact all Americans. Not only does the price of oil make driving our cars more expensive, it makes the provision of reliable water service more expensive. When our current rates went into effect the price of oil was 1/2 of its current cost. We continue to work hard to optimize our operations, but we believe that this increase is needed to insure we continue to provide high quality, safe, and reliable water service."

The York Water Company is the oldest investor-owned utility in the United States serving approximately 171,000 people in 46 municipalities in York and Adams Counties.

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