
News Release

The York Water Company
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FOR IMMEDIATE RELEASE

YORK WATER COMPANY FILES A RATE REQUEST

York, Pennsylvania, May 14, 2010: The York Water Company (NASDAQ:YORW) on May 14, 2010 asked the Pennsylvania Public Utility Commission (PPUC) for a general increase in rates of \$6,220,428 per year, or an overall 15.9% increase. If granted immediately, the rate increase would be effective July 13, 2010. The PUC may delay the effective date, and after an investigation, grant all, some, or none of the request. As a result, the final effect on water bills may be different than the Company's request. The request may also be reviewed by the Office of Consumer Advocate and the Office of Small Business Advocate.

If the increase were granted in its entirety, the typical residential customer would pay an additional \$6.13 per month (20 cents per day), the typical commercial customer would pay an additional \$16.49 per month (55 cents per day) and the typical industrial customer would pay an additional \$99.07 per month (\$3.30 per day). At the increased rates, the average cost of water would remain under a penny per gallon.

Jeffrey R. Hines, President and CEO, said the increase is necessary to pay for approximately \$30 million in capital investments that the Company is in the process of making. The capital investments are necessary to: reinforce, replace, and reline aging water mains; provide redundancy in case of emergencies; 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 and upgrades of other aging infrastructure including York Water's two water supply dams which improve reliability of service.

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

Hines added, "We realize that there is never a good time for a rate increase, and especially in this difficult economy. We've worked hard to drive down our costs, but increased operating expenses and the electric rate caps coming off at the end of the year will impact our costs. We are also required to make significant investments in our water system and our two water supply dams to insure we continue to provide high quality, safe, and reliable water service."

More details regarding this proposed increase are being mailed to customers together with their water bill. In addition, customers can contact the Company at 1-800-750-5561 or www.yorkwater.com for more information.

The York Water Company is the oldest investor-owned utility in the United States serving approximately 180,000 people in 43 municipalities in York and Adams Counties.

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