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# News Release

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FOR IMMEDIATE RELEASE

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## YORK WATER COMPANY ANNOUNCES SETTLEMENT OF RATE CASE

**York, Pennsylvania, September 10, 2008:** Jeffrey R. Hines, President & CEO of The York Water Company (Nasdaq:YORW), announced today that the Company has filed a settlement petition of its pending rate case with the Pennsylvania Public Utility Commission. The settlement, which is joined in by all active parties, provides for an increase in annual base rate revenues of \$5,950,000.

Hines stated, "This increase was necessary because of the Company's \$45 million investment in system improvements and infrastructure replacements since the last base rate increase, which will allow the Company to continue to meet the current and future needs of our customers."

In addition to capital improvements, Hines said that "York Water continues to face the same cost increases that currently impact all Americans. The Company has incurred increased costs of electricity, chemicals, and fuel, and increases in normal operations and maintenance expenses."

It is estimated that the settlement will increase the average residential customer bill from \$32.01 per month to \$37.00 per month, the average commercial customer bill from \$154.70 per month to \$186.05 per month and the average industrial customer bill from \$584.10 per month to \$697.11 per month. Hines commented that "even with the increase, the cost for a gallon of water delivered to the point of use is still well under one penny per gallon."

The settlement must be approved by the presiding Administrative Law Judge David A. Salapa and the Pennsylvania Public Utility Commission before increased rates become effective. The increases in rates under the settlement may become effective as soon as October 23, 2008.

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