



Cordia Acquiring Three Cutting-Edge Energy Systems from Essential Utilities in Allegheny County

Cordia to Expand Footprint in Pittsburgh with \$165 Million Deal to Acquire Three Energy Systems from Essential Utilities that Strategically Supports Cordia's Growth in the Region.

Phoenix, AZ (October 3, 2023) – [Cordia](#), a leading provider of safe, reliable, and sustainable energy solutions, today announced that it has signed a binding agreement to acquire three microgrids and district energy systems in Allegheny County, Pennsylvania, from [Essential Utilities, Inc.](#) (NYSE: WTRG). The acquisition is valued at \$165 million.

The three energy systems included in the agreement are:

- The **[Pittsburgh International Airport Microgrid](#)**, the first of its kind, which allows the airport to operate independent of the electric grid thanks to a 21.25 MW natural gas power plant, making PIT one of the most resilient airports.
- The district energy system at **[Allegheny Health Network \(AHN\) – Wexford Hospital](#)**, which provides the 160-bed hospital with all heating, cooling, and primary power needs via steam boilers, hot water boilers, chillers, and a 2.0 MW natural gas generator, along with emergency backup power.
- The **[Allegheny County District Energy System](#)**, which provides efficient and resilient steam and hot water services to six government buildings including the Allegheny County Courthouse and City-County Building, using seven state-of-the-art steam boilers and one domestic water heater.

“We are excited to acquire these three energy systems,” said Cordia CEO Earl Collins. “They are a perfect fit for our portfolio and will help us to further our mission of providing safe, reliable, and sustainable energy solutions to our customers. We look forward to working with the Pittsburgh International Airport, Allegheny Health Network, and Allegheny County teams to ensure a smooth transition and continue providing excellent service to their customers.”

The acquisition is a strategic move for Cordia. The acquisition expands the firm's presence in the Pittsburgh region where it currently operates energy systems in Pittsburgh's Uptown and North Shore neighborhoods, and the on-campus energy system for Duquesne University. Cordia's assets have been operating in the region since 1964, and its existing investments in the area allow Cordia to deliver the most efficient solutions to its customers. This acquisition is a testament to Cordia's commitment to growing its regional presence and building on its existing customer base.

The three energy systems were developed by Essential subsidiary Peoples, leveraging Southwestern Pennsylvania's abundance of natural gas to deliver safer, more reliable and more resilient energy to some of the region's most critical institutions. All three began operating in 2021.

"Our teams at Peoples and Essential should be proud knowing their work to develop these innovative energy systems has made this region better," said Essential Utilities CEO & Chairman Chris Franklin. "Selling these unregulated assets to a skilled operator in Cordia allows us to focus more fully on our core business as a regulated utility."

"We are confident our customers will be in good hands with Cordia operating these energy systems," said Peoples President Mike Huwar. "Our team looks forward to providing clean, safe, affordable and reliable natural gas service to all three projects for years to come."

"This acquisition is a demonstration to Cordia's commitment to providing innovative energy solutions to our customers and growth in the Pittsburgh area," said Collins. "We are proud to be a part of this community and continue to work with our partners to build a more resilient and sustainable energy future for Pittsburgh."

The transaction is subject to various closing conditions and regulatory approvals and is expected to close in late 2023 or early 2024.

About Cordia

Cordia is a leading provider of safe, reliable, and sustainable energy solutions. Headquartered in Phoenix, AZ, Cordia serves over 700 customers with heating, cooling, and electricity throughout the U.S. Cordia is committed to driving change toward a more resilient, sustainable energy future and empowering people and communities to reach their full potential. Learn more at www.cordiaenergy.com.

About Essential

Essential Utilities, Inc. (NYSE:WTRG) delivers safe, clean, reliable services that improve quality of life for individuals, families, and entire communities. With a focus on water, wastewater and natural gas, Essential is committed to sustainable growth, operational excellence, a superior customer experience, and premier employer status. We are advocates for the communities we serve and are dedicated stewards of natural lands, protecting more than 7,600 acres of forests and other habitats throughout our footprint.

Operating as the Aqua and Peoples brands, Essential serves approximately 5.5 million people across 9 states. Essential is one of the most significant publicly traded water, wastewater service and natural gas providers in the U.S. Learn more at www.essential.co.

About Peoples

Peoples provides clean, safe, affordable and reliable natural gas service to approximately 740,000 homes and businesses in Western Pennsylvania and Kentucky. Peoples is committed to its customers, its employees, the environment, and to the regions it serves.

Cordia Media Contacts:

Alec Goetz
Communications Manager
O: 281.639.2878
Communications@CordiaEnergy.com

Essential Media Contact

Jeanne Russo
Vice President, Communications
Media Hotline : 1.877.325.3477
Media@Essential.co

Katie Gajewski
Commercial Manager
O: 602.828.9692
Communications@CordiaEnergy.com

Investor Contact:
Brian Dingerdissen
Vice President, IR and Treasurer
O: 610.645.1191
BJDingerdissen@Essential.co