

Press release

April 7, 2016

Poughkeepsie, New York Renews Environmental Contract with Veolia One of the longest-running wastewater public-private partnerships in North America produces savings, revenue generation



Partnership Renewal Highlights

10-year agreement

\$6.6 million revenues for city
over 10 years offset water and sewer
rates
\$170,000 annual reduction in operating
expenses

BOSTON, April 7, 2016 – The City of Poughkeepsie has renewed an agreement with <u>Veolia</u>, the global leader in environmental solutions and optimized resource management, to continue managing and operating its wastewater system under a 10-year contract. Spanning more than 35 years, this <u>environmental partnership</u> has delivered an exceptional record of compliance and safety, while generating millions in savings for the community.

Since 1980, Veolia North America has managed the wastewater system and facilities for the City of Poughkeepsie, which serves a population of approximately 45,000. Under this renewed 10-year public-private partnership, Veolia will operate, maintain and manage (O&M) the city's 10-million-gallons-per-day (MGD) activated sludge wastewater treatment plant, 10 pump stations, biosolids management, Industrial Pretreatment Program, sludge disposal and stormwater management. Veolia will also provide capital support for upgrades to the city's wastewater treatment plant and pump stations to improve efficiencies and yield additional savings.

Since entering this successful O&M partnership, Poughkeepsie has garnered regional safety awards from the New York State Water Pollution Control Association, met strict environmental requirements and achieved significant improvements to odor control. "Through this partnership with Veolia, the city has reduced odor complaints by 85 percent, while maintaining an outstanding record of regulatory compliance – helping to protect the environment and

ensure the safety of the community and its citizens," said Joseph Chenier, assistant civil engineer for the City of Poughkeepsie. "In addition, Veolia has helped deliver millions in savings by streamlining operational efficiencies and introducing new technology and innovative programs that have generated revenue for the city. We look forward to working with Ed Steeprock, project manager for Veolia, and his team for years to come."

Using a stringent O&M plan and approach, Veolia has reduced operating expenses for the city by \$170,000 annually. In addition, the revenue-generating septage receiving program introduced by Veolia has yielded approximately \$800,000 annually and \$6.6 million total in revenues for the city over the last 10 years – a key factor in offsetting water and sewer rate increases for residents. As part of this renewed O&M agreement with the city, Veolia will also help lower long-term operating costs through a \$600,000 capital investment. By improving the sludge dewatering and odor control systems, the hauling costs for sludge disposal will be reduced by an estimated 40 – 50 percent.

"As our longest-running partnership in New York State and as one of the oldest public-private partnerships in North America, our joint accomplishments illustrate our commitment to delivering cost-effective, safe and environmentally compliant services," said William J. DiCroce, president and CEO of Veolia North America. "Together, we've also been able to create value for the community by helping mitigate rate increases through innovative technical programs."

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Veolia group is the global leader in optimized resource management. With over 174,000 employees worldwide, the Group designs and provides water, waste and energy management solutions that contribute to the sustainable development of communities and industries. Through its three complementary business activities, Veolia helps to develop access to resources, preserve available resources, and to replenish them. In 2014, the group Veolia supplied 96 million people with drinking water and 60 million people with wastewater service, produced 52 million megawatt hours of energy and converted 31 million metric tons of waste into new materials and energy. Veolia Environnement (listed on Paris Euronext: VIE) recorded consolidated revenue of \$30.3 billion in 2015. www.veolia.com

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