



NJBPU Approves New Rates for Pinelands Companies

December 19, 2008

ISELIN, NJ -- (MARKET WIRE) -- 12/19/08 -- Middlesex Water Company (NASDAQ: MSEX) today announced that its subsidiaries in Burlington County, Pinelands Water Company and Pinelands Wastewater Company, have received approval from the New Jersey Board of Public Utilities (NJBPU) for a \$33,000 or 5.53% increase in water rates and a \$170,000 or 18.3% increase in wastewater rates to help offset increased costs associated with the operation and maintenance of the water and wastewater systems as well as increased capital investment in those systems.

The companies, which filed for new rates in April of 2008, were seeking the increase to offset rising costs of maintenance, power, chemicals, business insurance, labor and benefits, taxes and other operating expense increases experienced since its last rate increase, which was granted in April 2006.

The companies provide water and wastewater service to approximately 2,400 customers in the communities of Leisuretowne and Hampton Lakes in Southampton Township, New Jersey. The Companies plan capital investments which include upgrades for chlorination facilities at three of four supply wells, the completion of an irrigation meter replacement program as well as improvements within the distribution system facilities, meters and general equipment.

The average combined quarterly bill for water and wastewater customer usage/discharge will rise from \$178.82 to \$204.70 based on 20,000 metered gallons (approximately 2,600 cubic feet). Customers receive a combined bill for their water and wastewater service.

Middlesex Water Company, organized in 1897, is an investor-owned water utility and is engaged in the business of supplying water for domestic, commercial, industrial and fire protection purposes. The Company and its New Jersey subsidiaries are subject to the regulations of the NJBPU. These companies are also subject to various Federal, State and regulatory agencies concerning water and wastewater effluent, quality standards.

For additional information regarding Middlesex Water Company, visit the Company's website at www.middlesexwater.com or call (732) 634-1500.

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