



Middlesex Water Acquires Wastewater Systems in Sussex County, DE

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ISELIN, NJ -- (MARKET WIRE) -- 01/05/07 -- Middlesex Water Company (NASDAQ: MSEX), a provider of water and wastewater services in New Jersey and Delaware, today announced the acquisition of two wastewater collection and treatment systems which serve the communities of Harts Landing and Bay Front located in Sussex County, DE. Middlesex Water plans to operate the systems through its wholly owned, regulated Delaware subsidiary, Tidewater Utilities. The net investment for these acquisitions is \$0.6 million.

These systems will serve approximately 800 residents at build-out, which is anticipated to occur over the next several years. The recently-constructed Bay Front system was designed as an expandable regional system that can ultimately serve approximately 2,000 residents. These acquisitions are consistent with the Company's strategy to develop, own and operate regional water and wastewater systems. Both systems employ membrane bioreactor technology designed to provide a wastewater effluent that meets the high standards of quality required in Delaware's environmentally sensitive inland bays area.

"The acquisition of these systems demonstrates our continued strategic expansion into the wastewater business," said Dennis W. Doll, President and CEO of Middlesex Water Company. "We continue to see the wastewater business as being complementary to our ownership and operation of potable water systems and continue to view this business as an opportunity to enhance long-term shareholder value," added Doll.

Middlesex Water, established in 1897, is a New Jersey provider of water, wastewater and related services. Tidewater and its affiliated Delaware companies provide service to about 30,000 retail water customers. For information about Middlesex Water, visit www.middlesexwater.com. Visit the Tidewater Utilities, Inc. website at www.tuiwater.com.

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