

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the registrant /x/
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Check the appropriate box:

- / / Preliminary proxy statement
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MIDDLESEX WATER COMPANY

(NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

MIDDLESEX WATER COMPANY

(Name of Person(s) Filing Proxy Statement)

Payment of filing fee (Check the appropriate box):

- /x/ \$125 per Exchange Act Rule 0-11(c)(1)(ii), 14a-6(i)(1), or Rule
14a-6(i)(2).
/ / \$500 per each party per Exchange Act Rule 14a-6(i)(3), or Rule
14a-6(i)(2).
/ / Fee computed on table below per Exchange Act Rules 14a-6(i)(4)
and 0-11.

[logo]

1500 Ronson Road
P.O. Box 1500
Iselin, New Jersey 08830-0452

Tel. (908) 634-1500
Fax (908) 750-5981

NASDAQ Stock Market Symbol: MSEX

April 18, 1996

Dear Stockholder:

YOUR VOTE IS IMPORTANT TO US! Whether or not you plan to attend the Stockholders' Meeting, I urge you to vote. Please specify your choice by marking the appropriate boxes on the enclosed proxy card and sign, date and return your proxy in the enclosed postpaid return envelope as promptly as possible. If you date, sign and return your proxy card without indicating your choices, the persons designated as proxies will vote your shares in accordance with the recommendations of your Directors and management.

You are cordially invited to attend your Company's 1996 Annual Meeting of Stockholders which will be held at the office of the Company, 1500 Ronson Road, Iselin, New Jersey, on Wednesday, May 22, 1996, at 11:00 a.m.

Following the Annual Meeting you are also invited to tour our Company headquarters facilities and to remain for luncheon.

I hope you will be able to attend.

Sincerely,

J. RICHARD TOMPKINS

J. Richard Tompkins
Chairman of the Board and President

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
MAY 22, 1996

To the Stockholders of MIDDLESEX WATER COMPANY

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of MIDDLESEX WATER COMPANY will be held at the office of the Company, 1500 Ronson Road, Iselin, New Jersey, on Wednesday, May 22, 1996, at 11:00 a.m., for the following purposes:

1. To elect three members of Class III of the Board of Directors to hold office until the Annual Meeting of Stockholders in 1999, and in each case until their respective successors are elected and qualify.
2. To consider and act upon the approval of the appointment of Deloitte & Touche LLP as independent auditors for the year 1996.
3. To transact such other business as may properly come before the meeting and any adjournment thereof.

Only holders of record of common stock at the close of business on April 15, 1996, will be entitled to notice of and to vote at the meeting.

The Company's Annual Report for the year ended December 31, 1995, has already been mailed to stockholders.

If you are unable to be present at the meeting but desire to have your shares voted, please execute the enclosed proxy and return it in the accompanying envelope, to which no postage need be affixed if mailed in the United States.

By Order of the Board of Directors,

MARION F. REYNOLDS
Secretary

April 18, 1996

IMPORTANT
TO ASSURE YOUR REPRESENTATION AT THE MEETING,
PLEASE MAIL THE ENCLOSED PROXY PROMPTLY.

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1500 Ronson Road
P.O. Box 1500
Iselin, New Jersey 08830-0452

Tel. (908) 634-1500
Fax (908) 750-5981

NASDAQ Stock Market Symbol: MSEX

PROXY STATEMENT

Notice of the Annual Meeting of Stockholders of Middlesex Water Company to be held on May 22, 1996, is attached. You are cordially invited to attend the meeting. If you are unable to attend, you are requested to sign and complete the enclosed proxy and return it in the accompanying envelope.

SOLICITATION AND REVOCATION OF PROXIES

The enclosed proxy is solicited by and on behalf of the Board of Directors of the Company. The cost of soliciting proxies will be borne by the Company. In addition to solicitation by mail, the Company may make arrangements with brokerage houses and other custodians, nominees, and fiduciaries to send proxies and proxy material to their principals and will reimburse them for their expenses in so doing. The solicitations will be initially by mail, and it may later be decided to make further solicitations by mail, telephone, telegraph, or personal calls by Directors, Officers, and employees of the Company. This proxy statement and the accompanying proxy are first being sent to stockholders on or about April 18, 1996.

The giving of a proxy does not preclude the right to vote in person should the Stockholder giving the proxy so desire, and a proxy may be revoked by giving notice to the Secretary of the Company in writing at any time prior to the commencement of the meeting or in open meeting prior to the taking of the vote to which such revocation relates.

SHARES ENTITLED TO VOTE

As of March 18, 1996, there were outstanding 4,150,898 shares of Common Stock which is the only class of capital stock entitled to vote at the Annual Meeting. Each holder of Common Stock is entitled to one vote for each share held. As stated in the Notice of Meeting, holders of record of Common Stock at the close of business on April 15, 1996, will be entitled to vote at the meeting or any adjournment thereof.

GENERAL INFORMATION

Management of the Company is under the general direction of a Board of Directors elected by the stockholders. The Board of Directors holds regular monthly meetings and meets on other occasions when required in special circumstances. The Board of Directors held eleven meetings and the Board Committees held seven meetings during the year 1995. Each incumbent Director attended more than 92% of the total number of meetings of the Board and Committees on which each served. Attendance at Board and Committee meetings by Directors as a group averaged 98% in 1995.

The Board of Directors has an Audit Committee which reviews the scope of the audit and receives and reviews the auditors' annual report. The Committee held four meetings during the year 1995.

The Board of Directors has an Executive Development and Compensation Committee which reviews and makes recommendations to the Board of Directors as to the salaries and benefits of the Executive Officers of the Company and administers the 1989 Restricted Stock Plan. The Committee held three meetings during the year 1995.

The Board of Directors appoints an ad hoc Nominating Committee from time to time as needed. Such a Committee was not appointed in 1995. The Company does not currently have a Nominating Committee. Qualified

nominations for Directors recommended by stockholders will be considered by a Nominating Committee when appointed. Recommendations should be sent to Middlesex Water Company, Office of the Secretary, 1500 Ronson Road, P.O. Box 1500, Iselin, New Jersey 08830-0452. Any nominations for Director should be received by the Secretary on or before December 19, 1996.

PROPOSAL 1

ELECTION OF DIRECTORS

At the Annual Meeting of Stockholders three members of Class III of the Board of Directors are to be elected to hold office until the Annual Meeting of Stockholders in 1999, and in each case until their respective successors are elected and qualify. The present terms of the three Directors included in Class III of the Board of Directors expire at the 1996 Annual Meeting.

The nominees listed were selected by the Board of Directors of the Company. Proxies in the accompanying form will be voted for these nominees, unless authority to vote for one or more of them shall have been withheld by so marking the enclosed proxy. Directors shall be elected by a plurality of the votes cast at the election.

If at the time of the meeting any of the nominees listed should be unable to serve, which is not anticipated, it is the intention of the persons designated as proxies to vote, in their discretion, for other nominees, unless the number of Directors constituting a full Board is reduced.

There is shown as to each nominee, and as to each Director whose term of office will continue after the 1996 Annual Meeting, age as of the date of the Annual Meeting, the period of service as a Director of the Company, and business experience during the last five years.

NOMINEES FOR ELECTION AS
DIRECTOR WITH TERM EXPIRING IN 1999--CLASS III

NAME, PERIOD SERVED AS DIRECTOR OF COMPANY -----	AGE ---	EXPIRATION DATE OF NEW TERM -----	BUSINESS EXPERIENCE DURING PAST FIVE YEARS AND OTHER AFFILIATIONS -----
William E. Scott..... Director since 1978	76	1999	Retired. Formerly Senior Executive Vice President, Public Service Electric and Gas Company, Newark, New Jersey. Trustee of Delta Dental Plan of New Jersey, Inc. Member of Executive Development and Compensation Committee.
Jeffries Shein..... Director since 1990	55	1999	Partner, Jacobson, Goldfarb & Tanzman, Industrial and Commercial Brokerage Firm, Woodbridge, New Jersey. Director of First Savings Bank/SLA Perth Amboy, New Jersey. Chairman of Executive Development and Compensation Committee.
J. Richard Tompkins..... Director since 1981	57	1999	Chairman of the Board and President of the Company. Past President of National Association of Water Companies and Director of New Jersey Utilities Association. Director and Chairman of Tidewater Utilities, Inc., (TUI); Pinelands Water Company; Pinelands Wastewater Company; Director and President of Utility Service Affiliates, Inc., subsidiaries of the Company, and Director of White Marsh Environmental Systems, Inc., a subsidiary of TUI, and Director of Raritan Bay Healthcare Foundation.

DIRECTORS WHOSE TERMS CONTINUE BEYOND
THE 1996 ANNUAL MEETING AND ARE NOT
SUBJECT TO REELECTION THIS YEAR

NAME, PERIOD SERVED AS DIRECTOR OF COMPANY -----	AGE ---	EXPIRATION DATE OF NEW TERM -----	BUSINESS EXPERIENCE DURING PAST FIVE YEARS AND OTHER AFFILIATIONS -----
Ernest C. Gere..... Director since 1988	63	1997 Class I	Retired. Formerly Senior Vice President and Chief Financial Officer of the Company since 1992 and prior to that date was Senior Vice President and Controller since 1986.
Stephen H. Mundy..... Director since 1977	62	1998 Class II	Retired. Formerly Vice President, A. Stanley Mundy, Inc., Public Utility Contractor, Virginia Beach, Virginia. Member of Executive Development and Compensation Committee.
Philip H. Reardon..... Director since 1991	59	1997 Class I	President and Chief Executive Officer, Essex County Gas Company, Amesbury, Massachusetts, since 1992 and prior to that date was President and Chief Executive Officer of New Jersey Natural Gas Company, Wall, New Jersey, since 1987. Director of Essex County Gas Company, New England Gas Association and First Ocean National Bank. Chairman of Audit Committee.
Richard A. Russo..... Director since 1994	50	1998 Class II	Executive Vice President of the Company since May 1995 and prior to that date was Vice President-Operations since 1989. Director and President of Tidewater Utilities, Inc., (TUI); Pinelands Water Company; Pinelands Wastewater Company; Director and Executive Vice President of Utility Service Affiliates, Inc., subsidiaries of the Company, and Director and President of White Marsh Environmental Systems, Inc., a subsidiary of TUI.
Carolina M. Schneider..... Director since 1982	77	1998 Class II	Retired. Formerly Secretary-Treasurer of the Company. Member of Audit Committee.
Joseph S. Yewaisis..... Director since 1989	56	1997 Class I	Chairman of the Board and President, First Savings Bank/SLA, Perth Amboy, New Jersey. Director of First Savings Bank/SLA, Financial Institutions Retirement Fund, Raritan Bay Healthcare Foundation and Chairman of the Board of Raritan Bay Medical Center. Member of Audit Committee.

SECURITY OWNERSHIP OF DIRECTORS, MANAGEMENT
AND CERTAIN BENEFICIAL OWNERS

The following table sets forth, as of March 18, 1996, beneficial ownership of Middlesex Water Company Common Stock by the Directors, Executive Officers named in the table appearing under Executive Compensation and all Directors and Executive Officers as a group. Jeffries Shein owned 1.30% of the shares outstanding on March 18, 1996. All other individual Directors and Executive Officers owned less than 1% of the shares outstanding on March 18, 1996.

NAME	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP
-----	-----
Walter J. Brady	7,069
Ernest C. Gere	6,711
Stephen H. Mundy	30,158
Philip H. Reardon	4,540
Richard A. Russo	6,773
Carolina M. Schneider	8,038
William E. Scott	5,146
Jeffries Shein*	54,333
Dennis G. Sullivan	5,797
J. Richard Tompkins	17,048
Joseph S. Yewaisis	1,899
All Directors and Executive Officers as a group (14) ..	156,870**

* Disclaims beneficial ownership of 1,566 additional shares.

** 3.78% of the shares outstanding on March 18, 1996.

The following table sets forth information made known to the Company as of December 31, 1995, of any person or group to be the beneficial owner of more than five percent of the Company's Common Stock:

NAME AND ADDRESS	NUMBER OF SHARES BENEFICIALLY OWNED AND NATURE OF BENEFICIAL OWNERSHIP (1)	PERCENT OF CLASS
-----	-----	-----
PNC Bank Corp..... One PNC Plaza 249 5th Avenue Pittsburgh, Pennsylvania 15222-2707	299,602	7.24

(1) Beneficial owner has sole power to vote and dispose of shares.

EXECUTIVE COMPENSATION

There is shown below information concerning the annual and long-term compensation for services in all capacities to the Company for the years 1995, 1994 and 1993 of those officers whose total annual salary amounted to \$100,000 or more.

SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION -----	YEAR ----	SALARY -----	OTHER ANNUAL COMPENSATION -----	RESTRICTED STOCK AWARD -----	ALL OTHER ANNUAL COMPENSATION -----
			(1)	(2)	(3)
J. Richard Tompkins	1995	\$217,261	\$ 7,652	\$ 42,188	\$ 7,560
Chairman of the Board	1994	\$208,350	\$ 7,491	\$ 22,855	\$ 7,280
and President	1993	\$190,150	\$ 6,771	\$ 18,075	\$ 6,720
Ernest C. Gere	1995	\$132,100	\$ 7,941	\$ 13,500	\$ 4,620
Senior Vice President &	1994	\$128,323	\$ 7,073	\$ 13,060	\$ 4,480
Chief Financial Officer	1993	\$119,350	\$ 6,042	\$ 9,038	\$ 4,235
Richard A. Russo	1995	\$132,885	\$ 5,941	\$ 16,875	\$ 4,616
Executive Vice President	1994	\$121,504	\$ 3,236	\$ 13,060	\$ 4,249
	1993	\$110,350	\$ 2,676	\$ 12,653	\$ 3,850
Walter J. Brady	1995	\$111,350	\$ 3,000	\$ 10,125	\$ 3,885
Vice President--Administration	1994	\$107,350	\$ 2,881	\$ 9,795	\$ 3,745
	1993	\$101,350	\$ 2,828	\$ 9,038	\$ 3,535
Dennis G. Sullivan	1995	\$106,816	\$ 3,136	\$ 13,500	\$ 3,710
Vice President & General	1994	\$ 99,754	\$ 2,962	\$ 11,428	\$ 3,479
Counsel and Assistant	1993	\$ 89,950	\$ 2,716	\$ 9,038	\$ 3,136
Secretary & Assistant					
Treasurer					

- (1) Includes Auto Allowance and Group Life Insurance for all officers and Directors' Fees for Messrs. Tompkins, Gere and Russo.
- (2) The number and value of Restricted Stock held in escrow as of December 31, 1995, were as follows: Mr. Tompkins--10,900/\$166,893; Mr. Gere--4,500/\$68,063; Mr. Russo--5,300/\$81,138; Mr. Brady--4,100/\$61,423 and Mr. Sullivan--4,800/\$72,720. Generally, the restrictions lapse on these awards five years from the date of grant. The restrictions on Mr. Gere's awards will lapse on March 31, 1996, the date of his retirement. The restrictions also lapse in the event of a change in control of the Company. All dividends on these shares are paid to the awardees.
- (3) Employer contribution to the Company's Defined Contribution Plan.

COMPENSATION OF DIRECTORS

A Director who is not an officer of the Company or its subsidiaries is paid an annual retainer of \$6,000, increased from \$5,400; a fee of \$500 for attendance at Board of Directors (Board) meetings; a fee of \$250 for attendance at special meetings of the Board; a fee of \$150 for attendance at special Board Committee meetings by means of communications facilities and a fee of \$350, increased from \$300, for each committee meeting attended. Committee chairmen receive an additional \$200 for each committee meeting chaired. Directors who are officers of the Company are paid a fee of \$250 for each meeting of the Board attended. The increased fees became effective February 1, 1996.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During 1995, the members of the Executive Development and Compensation Committee were Stephen H. Mundy, William E. Scott and Jeffries Shein. During 1995, no member of the Executive Development and Compensation was an officer or employee of the Company or a subsidiary. Stephen H. Mundy has a financial interest in a construction company that was awarded a contract by the Company in the amount of \$0.9 million in 1995.

COMPENSATION PURSUANT TO PENSION PLANS

ANNUAL BENEFIT BASED ON COMPENSATION AND YEARS OF SERVICE

FINAL YEAR'S COMPENSATION	YEARS OF SERVICE					
	15	20	25	30	35	45
\$100,000.....	\$ 60,611	\$ 60,611	\$ 60,611	\$ 60,611	\$ 60,611	\$ 73,102
125,000.....	79,361	79,361	79,361	79,361	79,361	92,852
150,000.....	98,111	98,111	98,111	98,111	98,111	112,602
175,000.....	116,861	116,861	116,861	116,861	116,861	116,861
200,000.....	135,611	135,611	135,611	135,611	35,611	135,611
225,000.....	154,361	154,361	154,361	154,361	154,361	154,361
250,000.....	173,111	173,111	173,111	173,111	173,111	173,111
300,000.....	210,611	210,611	210,611	210,611	210,611	210,611

All employees who receive pay for 1,000 hours during the year are included in the Plan. Under the noncontributory trustee defined benefit plan current service costs are funded annually. The Company's annual contribution is determined on an actuarial basis. Benefits are measured from the member's entry date and accrue to normal retirement date or date of early retirement. Benefits are calculated, at normal retirement, at 1.25% of pay up to the Executive's benefit integration level, plus 1.9% of such excess pay, multiplied by service to normal retirement date, capped at 35 years of such excess pay, multiplied by service to normal retirement date of age 65. Average pay is the highest annual average of total pay during any 5 consecutive years within the 10 calendar-year period prior to normal retirement date. The benefit integration level is based on the 1995 Summary Compensation Table. The benefit amounts are not subject to any deduction for Social Security benefits or other offset amounts.

During the year 1995, the Company made a contribution to the Pension Plan in the amount of \$372,000. The range of the permissible Plan contribution was \$351,000 to \$385,000. Remuneration covered under the Pension Plan includes base wages only and not Directors' fees.

The estimated credited years of service based on normal retirement at age 65 includes 22 years, 21 years, 20 years, 44 years and 22 years for Messrs. Tompkins, Gere, Russo, Brady and Sullivan, respectively.

Supplemental Executive Retirement Plan--All executive officers are eligible to participate in the Deferred Compensation Plan known as the Supplemental Executive Retirement Plan at the discretion of the Board of Directors.

A participant who retires on his normal retirement date is entitled to an annual retirement benefit equal to 75% of his compensation reduced by his primary Social Security benefit and further reduced by any benefit payable from the Qualified Pension Plan. In certain cases further reductions are made for benefits from other employment.

Vesting provisions start at 50% for 5 years of service and increases 10% for each year of service for a maximum of 100% vesting at 10 years of service. Annual retirement benefits are payable for 15 years either to the participant or his beneficiary.

Retirement benefits may be in the form of single life annuity, joint and 50% survivors annuity, joint and 100% survivors annuity, single life annuity with a 10-year certain period and single life annuity with a 15-year certain period paid on an actuarial equivalent basis.

The Company is not obligated to set aside or earmark any monies or other assets specifically for the purpose of funding the Plan. The benefits are in the form of an unfunded obligation of the Company. The Company has elected to purchase Corporate-owned life insurance as a means of satisfying its obligation under this Plan. The Company reserves the right to terminate any plan or life insurance at any time; however, a participant is entitled to any benefits he would have been entitled to under the Plan provisions. For the year 1995 the Company paid life insurance premiums totaling \$131,767, for Messrs. Tompkins, Gere, Russo, Brady and Sullivan, which provides a preretirement net death benefit of 1 1/2 times base salary at date of death.

Defined Contribution Plan--The Company matches 100% of that portion of the contribution which does not exceed 1% of basic pay plus an additional 50% of that portion from 2% to 6% of basic pay. Distributions under the Plan are made upon normal retirement, total and permanent disability or death and are subject to certain vesting provisions as to Company contributions. During 1995, this Plan was converted from an after tax plan to a 401(k) pre tax plan.

REPORT OF THE EXECUTIVE DEVELOPMENT AND COMPENSATION COMMITTEE

The compensation program for executive officers of the Company is administered by the Executive Development and Compensation Committee of the Board of Directors. The 1995 Committee was composed of three independent Directors: Stephen H. Mundy, William E. Scott and Jeffries Shein. The Committee is responsible for setting and administering the policies which govern annual compensation and Restricted Stock awards. Policies and plans developed by the Committee are approved by the full Board of Directors.

The Committee's compensation policies and plans applicable to the executive officers seek to enhance the profitability of the Company and shareholder value, as well as control costs and maintain reasonable rates for the customers. The Committee's practices reflect policies that compensation should (1) attract and retain well-qualified executives, (2) support short- and long-term goals and objectives of the Company, (3) reward individuals for outstanding contributions to the Company's success, (4) be meaningfully related to the value created for shareholders, and (5) relate to maintenance of good customer relations and reasonable rates.

The Committee meets with Mr. Tompkins to evaluate the performance of the other executive officers and meets in the absence of Mr. Tompkins to evaluate his performance. The Committee reports on all executive evaluations to the full Board of Directors.

Base salary levels are reviewed annually using compensation data produced by an outside compensation expert for similar positions and comparable companies. Base salaries for satisfactory performance are targeted at the median of the competitive market. Individual performance of the executive is determined and taken into account when setting salaries against the competitive market data. The Committee reviews, as well, the individual's efforts on cost control and his or her contributions to the results of the year. The Committee also reviews the Company's financial results compared with prior years and compared with other companies. It compares salaries with both water and general industry salaries.

The factors and criteria upon which Mr. Tompkins' compensation was based generally include those discussed with respect to all the executive officers. Specifically, however, his salary is based on his overall performance and that of the Company. His salary was set at a rate which was approximately the median of the utility market and below that of the general industry. In addition, in evaluating the performance of the CEO, the Committee has taken particular note of management's success with respect to the growth of the Company.

The Company maintains a restricted stock plan for the purpose of attracting and retaining certain key employees of the Company who have contributed, or are likely to contribute, significantly to the long-term performance and growth of the Company. This plan is designed to enhance financial performance, customer service and corporate efficiency through a performance-based stock award. Annual stock awards are based upon several factors including the participant's ability to contribute to the overall success of the Company.

The level of awards and the value of the performance are reviewed annually by the Committee. The Committee submits reports on all executive evaluations and restricted stock awards to the full Board of Directors for approval.

1996 Executive Development and Compensation Committee

Jeffries Shein, Chairman
Stephen H. Mundy
William E. Scott

PERFORMANCE GRAPH

Set forth below is a line graph comparing the yearly change in the cumulative total return (which includes reinvestment of dividends) on a \$100 investment for the Company's Common Stock, the NASDAQ and a peer group of investor-owned water utilities for the period of five years commencing December 31, 1990. The peer group includes Aquarion Company, California Water Service Company, Connecticut Water Service, Inc., Consumers Water Company, E'town Corporation, IWC Resources Corporation, Philadelphia Suburban Corporation, SJW Corporation, Southern California Water Company, United Water Resources and the Company.

--GRAPHICAL REPRESENTATION OF DATA TABLE BELOW--

	12/31/90 -----	12/31/91 -----	12/31/92 -----	12/31/93 -----	12/31/94 -----	12/31/95 -----
MSEX	\$100	\$130	\$171	\$226	\$183	\$219
NASDAQ	100	161	187	215	210	296
Peer Group	100	130	146	166	155	177

APPOINTMENT OF INDEPENDENT AUDITORS

Upon the recommendation of the Audit Committee, the Board of Directors has appointed Deloitte & Touche LLP of Parsippany, New Jersey, as independent auditors to make the annual audit of the books of account and supporting records of the Company for 1996, subject to the approval of the stockholders entitled to vote for the election of Directors, by a majority of the votes cast on the question of such approval, provided a quorum is present, at the Annual Meeting of Stockholders.

Representatives of Deloitte & Touche LLP will be present at the meeting, and will be afforded an opportunity to make a statement if they so desire and to respond to appropriate questions.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR PROPOSAL 2.

STOCKHOLDER PROPOSALS

Stockholders are entitled to submit proposals on matters appropriate for stockholder action consistent with regulations of the Securities and Exchange Commission. Should a stockholder intend to present a proposal at next year's annual meeting, it must be received by the Secretary of the Company at 1500 Ronson Road, P.O. Box 1500, Iselin, New Jersey 08830-0452, not later than December 19, 1996, in order to be included in the Company's proxy statement and form of proxy relating to that meeting.

OTHER MATTERS

The Management of the Company does not intend to bring any other matters before the meeting and has no reason to believe any will be presented to the meeting. If, however, other matters properly do come before the meeting, it is the intention of the persons named in the accompanying proxy to vote in accordance with their judgment in such matters.

MINUTES OF LAST PREVIOUS MEETING OF STOCKHOLDERS

The minutes of the last previous meeting of Stockholders will be submitted at the meeting for the correction of any errors or omissions but not for the approval of the matters referred to therein.

By Order of the Board of Directors,

MARION F. REYNOLDS
Secretary

Iselin, New Jersey
April 18, 1996

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MIDDLESEX WATER COMPANY
1500 RONSON ROAD, P.O. BOX 1500
ISELIN, NEW JERSEY 08830-0452
908-634-1500

[MAP]

DIRECTIONS TO MIDDLESEX WATER COMPANY

FROM GARDEN STATE PARKWAY (NORTH OR SOUTH): Take Exit 131A to second traffic light. Turn right onto Middlesex -- Essex Turnpike and proceed (about 1/2 mile) to first traffic light (Gill Lane). Turn right and go (about 1 mile) under railroad underpass and make right onto Ronson Road. Proceed past three large mirror-sided office buildings on the right. Make right into Middlesex Water Company at sign.

FROM NEW JERSEY TURNPIKE (NORTH OR SOUTH): Take Exit 11 onto Garden State Parkway North and follow above directions.

FROM US ROUTE NO. 1 (NORTH OR SOUTH): Proceed to the Woodbridge Center area and follow signs to Gill Lane. When on Gill Lane, make left turn onto Ronson Road. Proceed past three large mirror-sided office buildings on the right. Make right into Middlesex Water Company at sign.

APPENDIX
(Pursuant to Rule 304 of Regulation S-T)

1. Page 8 contains a description in tabular form of a graph entitled "Performance Graph" which represents the comparison of the cumulative total stockholder return on the Company's Common Stock against the cumulative total return of the NASDAQ Index and the Peer Group Index for the period of five years commencing December 31, 1990 and ending December 31, 1995, which graph is contained in the paper format of this Proxy Statement being sent to Stockholders.

REVOCABLE PROXY
MIDDLESEX WATER COMPANY

[X] PLEASE MARK VOTES AS IN THIS EXAMPLE

ANNUAL MEETING OF STOCKHOLDERS

MAY 22, 1996

The undersigned stockholder(s) hereby appoint(s) ERNEST C. GERE and PHILIP H. REARDON, and each of them, proxies, with the power to appoint his substitute, and hereby authorizes them to represent and to vote as designated, all the shares of common stock of Middlesex Water Company held on record by the undersigned on April 15, 1996, at the annual meeting of shareholders to be held on May 22, 1996, at 11:00 a.m., local time or any adjournment thereof.

1. Election of Directors, Nominees for Class III term expiring in 1999:

William E. Scott, Jeffries Shein and J. Richard Tompkins

	For	Withhold	For All Except
	[]	[]	[]

INSTRUCTION: To withhold vote for any individual nominee, mark "For All Except" and write the nominee's name in the space provided below

2. Approve the appointment of Deloitte & Touche LLP as auditors for the Company for the year 1996.

	For	Against	Abstain
	[]	[]	[]

3. In their discretion, the Proxies are authorized to vote such other business as may properly come before the meeting.

PLEASE CHECK BOX IF YOU PLAN TO ATTEND THE MEETING. []

If this Proxy is properly executed and returned, the shares represented hereby will be voted. If not otherwise specified, this Proxy will be voted FOR the persons nominated as directors, and FOR proposal number 2.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS.

PLEASE DATE AND SIGN EXACTLY AS YOUR NAME OR NAMES APPEAR ON THIS PROXY.

WHEN SIGNING AS AN ATTORNEY, EXECUTOR, ADMINISTRATOR, TRUSTEE OR GUARDIAN, PLEASE GIVE TITLE AS SUCH. IF SIGNER IS A CORPORATION, PLEASE SIGN FULL CORPORATE NAME BY AUTHORIZED OFFICER AND ATTACH A CORPORATE SEAL. FOR JOINT ACCOUNT, EACH JOINT OWNER SHOULD SIGN.

Please be sure to sign and date this Proxy in the box below.

Date

Stockholder sign above

Co-holder (if any) sign above

Detach above card, sign, date and mail in postage paid envelope provided.

MIDDLESEX WATER COMPANY
c/o REGISTRAR AND TRANSFER COMPANY
10 COMMERCE DRIVE
CRANFORD, NEW JERSEY 07016

PLEASE ACT PROMPTLY
BE SURE TO COMPLETE, SIGN AND RETURN THIS
PROXY, WHETHER OR NOT YOU ELECT TO BE
PRESENT IN PERSON. ALL SIGNATURES MUST
APPEAR EXACTLY AS YOUR NAME APPEARS
ON THIS PROXY.

THANK YOU