

UNITED STATES  
SECURITIES AND EXCHANGE  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

Date of Report: October 28, 2004

MIDDLESEX WATER COMPANY

(Exact name of registrant as specified in its charter)

NEW JERSEY  
(State or other jurisdiction of  
incorporation or organization)

0-422  
(Commission  
File Number)

22-1114430  
(I.R.S. Employer  
Identification No.)

1500 RONSON ROAD, P.O. BOX 1500, ISELIN, NEW JERSEY 08830

(Address of principal executive offices, including zip code)

(732)-634-1500

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item. 8.01 Other Events**

Announcement of Middlesex Water Company Third Quarter 2004 Earnings as set forth in the attached press release.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf of the undersigned hereunto duly authorized.

MIDDLESEX WATER COMPANY  
(Registrant)

/s/Kenneth J. Quinn  
Kenneth J. Quinn  
Vice President, General Counsel,  
Secretary and Treasurer

Dated: October 28, 2004

**Contact:**

Bernadette M. Sohler, Director of Communications (732) 634-1500

**MIDDLESEX WATER COMPANY REPORTS THIRD QUARTER EARNINGS**

**ISELIN, NJ, (October 28, 2004)** Middlesex Water Company, (**NASDAQ:MSEX**), a provider of water and wastewater services in New Jersey and Delaware, announced today that its net income, for the quarter ended September 30, 2004, increased by 40.5% over the prior year.

**Third Quarter 2004 Results**

Consolidated operating revenues, for the quarter ended September 30, 2004, were \$19.9 million, up \$2.3 million, from \$17.6 million for the same period in 2003. Water sales improved by \$1.1 million in our New Jersey systems, which was primarily a result of base rate increases. Continued double-digit customer growth and base rate increases for the Company's Delaware subsidiary, Tidewater Utilities, Inc. (TUI) generated an additional \$0.8 million in revenues, and our meter installation venture contributed \$0.6 million to revenues. Revenues from our City of Perth Amboy contract decreased by \$0.3 million. Operating expenses increased to \$15.4 million, up from \$14.1 million. Costs associated with the meter installation venture were \$0.5 million of the increase. Higher costs for purchased water, energy, payroll and benefits, insurance and corporate governance fees for the Middlesex system represented \$0.2 million of the increase. Income and other taxes increased a combined \$0.7 million.

The Company reported third quarter 2004 earnings applicable to common stock increased to \$3.3 million, compared to \$2.3 million in the prior year, and earnings per share of common stock increased from \$0.22 to \$0.29.

**Nine-Month Results**

For the nine months ended September 30, 2004, revenues were \$53.5 million, up \$4.9 million, from \$48.6 million for the same period in the prior year. Water sales improved by \$1.7 million in our New Jersey systems, which was primarily a result of base rate increases. Customer growth of 10.7% and base rate increases for TUI generated an additional \$1.6 million in revenues, while our meter installation venture added \$1.8 million to revenues. Revenues from our City of Perth Amboy contract decreased by \$0.4 million due to scheduled reductions in fixed fees. Operating expenses increased to \$43.7 million, up from \$39.6 million. Costs associated with the customer growth in Delaware and the meter installation venture were \$2.4 million of the increase. Higher costs for purchased water, energy, payroll and benefits, insurance and corporate governance fees for the Middlesex system represented \$1.0 million of the increase. Income and other taxes increased a combined \$0.7 million.

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For the nine-month period ended September 30, 2004, earnings applicable to common stock were \$6.1 million, compared to \$5.2 million in the prior year, and earnings per share of common stock increased from \$0.50 to \$0.55.

### **Twelve-Month Results**

For the twelve months ended September 30, 2004, revenues were \$69.0 million, up from \$63.8 million for the same period in the prior year. The double-digit customer growth and base rate increases for TUI generated an additional \$2.1 million in revenues, while our meter installation venture added \$2.0 million to revenues. Water sales by the Middlesex system increased by \$1.2 million. This was the result of \$1.5 million of additional revenues from base rate increases which were partially offset by reduced consumption revenues of \$0.3 million due to wet weather. Revenues from our City of Perth Amboy contract decreased by \$0.4 million. Operating expenses increased to \$56.7 million, up from \$51.6 million. Costs associated with the customer growth in Delaware and the meter installation venture were \$2.8 million of the increase. Higher costs for purchased water, energy, water treatment, payroll and benefits, insurance and corporate governance fees for the Middlesex system represented \$1.5 million of the increase. Depreciation expense increased \$0.5 million as a result of additional utility plant in service. As a result, earnings applicable to common stock were \$7.2 million, which was less than 1% higher than the same period in 2003, however earnings per share of common stock decreased from \$0.69 or \$0.67 due to the higher number of shares outstanding that resulted from the issuance of 700,000 shares in May 2004.

### **Board Declares Quarterly Dividend**

The Company's Board of Directors approved an increase in the quarterly dividend from \$0.165 to \$0.1675 per share, payable December 1, 2004, to common shareholders as of November 15, 2004. The Company has paid cash dividends in varying amounts for the past 90 years and the dividend has been increased in each year since 1973. Middlesex Water has a Dividend Reinvestment Plan under which dividends and optional cash payments can be used to purchase additional shares of Common stock.

### **About Middlesex Water Company**

Middlesex Water Company, organized in 1897, is an investor-owned water utility, serving customers in central and southern New Jersey and in the State of Delaware. The Company and its New Jersey subsidiaries – Pinelands Water Company and Pinelands Wastewater Company—are subject to the regulations of the Board of Public Utilities of the State of New Jersey. Middlesex Water operates the water and wastewater utilities for the City of Perth Amboy through its subsidiary, Utility Service Affiliates (Perth Amboy), Inc. The Company's Delaware subsidiary, Tidewater Utilities, Inc., together with Southern Shores Water Company, is subject to the regulations of the Public Service Commission in Delaware. These companies are also subject to various Federal and State and regulatory agencies concerning water quality standards.

For additional information regarding Middlesex Water Company, visit the Company's Web site at [www.middlesexwater.com](http://www.middlesexwater.com) or call (732) 634-1500.

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*Certain matters discussed in this press release are “forward-looking statements” regarding the Company’s results of operations and financial position. Such statements address future plans, objectives, expectations and events concerning various matters such as capital expenditures, earnings, litigation, growth potential, rate, regulatory matters, liquidity, capital resources and accounting matters. Actual results in each case could differ materially from those currently anticipated in such statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

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**MIDDLESEX WATER COMPANY**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(Unaudited)

	Three Months Ended September 30, 2004		Three Months Ended September 30, 2003		Nine Months Ended September 30, 2004		Nine Months Ended September 30, 2003		Twelve Months Ended September 30, 2004		Twelve Months Ended September 30, 2003	
Operating Revenues	<b>\$ 19,856,688</b>	\$ 17,585,575	<b>\$ 53,502,334</b>	\$ 48,564,914	<b>\$ 69,048,634</b>	\$ 63,759,946						
Operating Expenses:												
Operations	<b>9,193,804</b>	8,687,828	<b>27,455,475</b>	24,292,699	<b>35,828,875</b>	31,478,131						
Maintenance	<b>759,352</b>	830,877	<b>2,430,319</b>	2,612,556	<b>3,346,876</b>	3,457,835						
Depreciation	<b>1,467,523</b>	1,342,059	<b>4,353,222</b>	3,960,856	<b>5,755,093</b>	5,242,946						
Other Taxes	<b>2,224,028</b>	2,081,210	<b>6,195,329</b>	5,950,472	<b>8,060,775</b>	7,854,295						
Income Taxes	<b>1,714,802</b>	1,143,264	<b>3,240,804</b>	2,764,542	<b>3,713,480</b>	3,592,126						
Total Operating Expenses	<b>15,359,509</b>	14,085,238	<b>43,675,149</b>	39,581,125	<b>56,705,099</b>	51,625,333						
Operating Income	<b>4,497,179</b>	3,500,337	<b>9,827,185</b>	8,983,789	<b>12,343,535</b>	12,134,613						
Other Income:												
Allowance for Funds Used During Construction	<b>179,173</b>	95,448	<b>309,455</b>	253,253	<b>372,121</b>	336,482						
Other Income	<b>33,418</b>	41,705	<b>170,983</b>	83,896	<b>218,586</b>	199,144						
Other Expense	<b>(85)</b>	(984)	<b>(29,761)</b>	(68,708)	<b>(50,984)</b>	(122,367)						
Total Other Income, net	<b>212,506</b>	136,169	<b>450,677</b>	268,441	<b>539,723</b>	413,259						
Interest Charges	<b>1,347,475</b>	1,243,888	<b>3,991,681</b>	3,830,926	<b>5,387,785</b>	5,099,090						
Net Income	<b>3,362,210</b>	2,392,618	<b>6,286,181</b>	5,421,304	<b>7,495,473</b>	7,448,782						
Preferred Stock Dividend Requirements	<b>63,697</b>	63,697	<b>191,090</b>	191,090	<b>254,786</b>	254,786						
Earnings Applicable to Common Stock	<b>\$ 3,298,513</b>	\$ 2,328,921	<b>\$ 6,095,091</b>	\$ 5,230,214	<b>\$ 7,240,687</b>	\$ 7,193,996						
Earnings per share of Common Stock:												
Basic	<b>\$ 0.29</b>	\$ 0.22	<b>\$ 0.55</b>	\$ 0.50	<b>\$ 0.67</b>	\$ 0.69						
Diluted	<b>\$ 0.29</b>	\$ 0.22	<b>\$ 0.55</b>	\$ 0.50	<b>\$ 0.66</b>	\$ 0.68						
Average Number of Common Shares Outstanding :												
Basic	<b>11,316,768</b>	10,505,517	<b>10,989,209</b>	10,448,226	<b>10,880,220</b>	10,472,573						
Diluted	<b>11,659,908</b>	10,848,657	<b>11,332,349</b>	10,791,366	<b>11,223,360</b>	10,815,713						
Cash Dividends Paid per Common Share	<b>\$ 0.1650</b>	\$ 0.1613	<b>\$ 0.4950</b>	\$ 0.4838	<b>\$ 0.6603</b>	\$ 0.6450						

See Notes to Condensed Consolidated Financial Statements.