WATER AND BEYOND

Welcome to the Annual Meeting of Shareholders

May 20, 2014

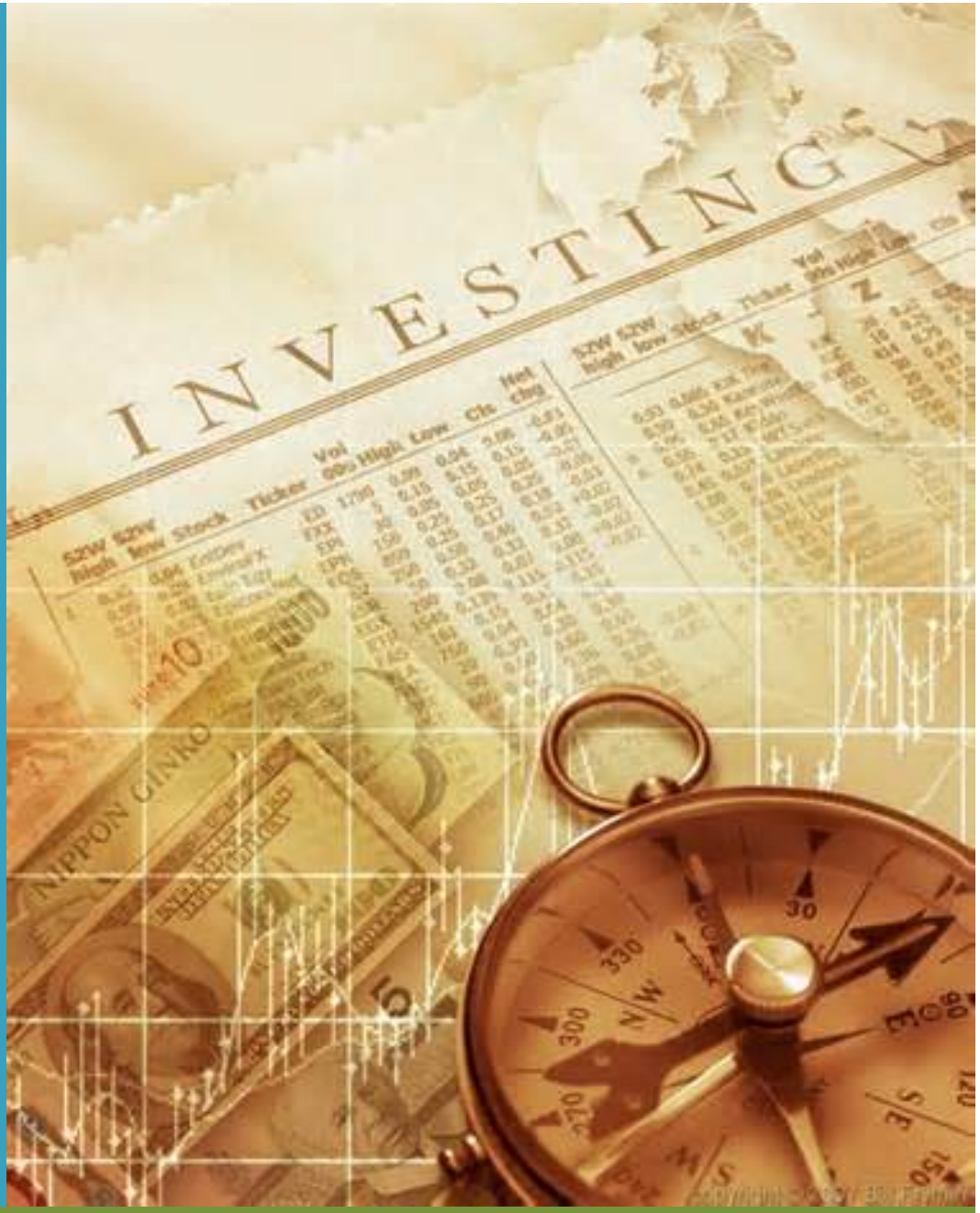
MIDDLESEX WATER COMPANY

MSEX NASDAQ GLOBAL SELECT

Forward-Looking Statement

Certain matters discussed in this presentation are forward-looking statements intended to qualify for the "safe harbor" from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such because the context of the statement will include words such as the Company "believes," "anticipates," "expects" or words of similar import. Similarly, statements that describe the Company's future plans, objectives, estimates or goals are also forward-looking statements that are subject to the risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the statements.

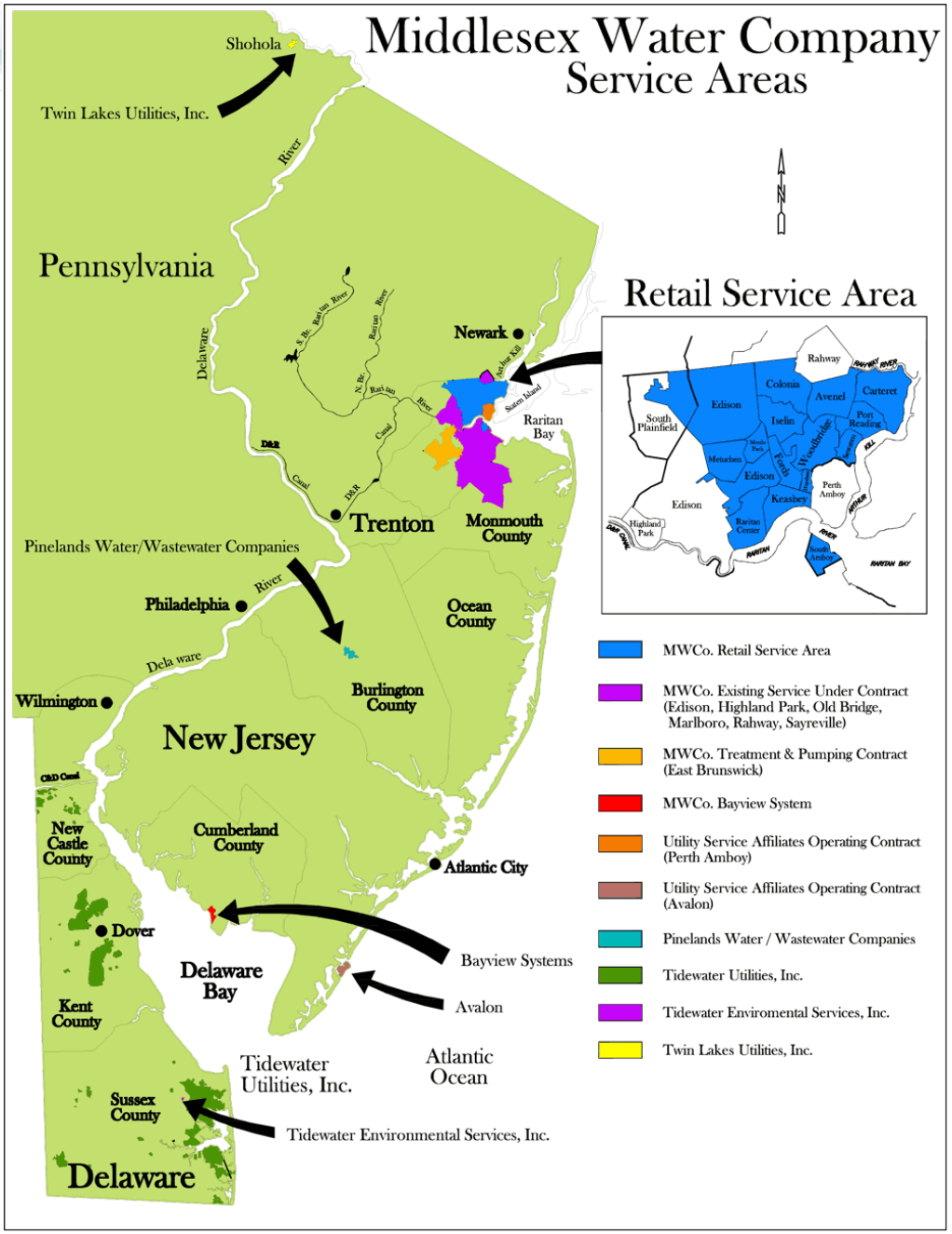
FINANCIAL HIGHLIGHTS



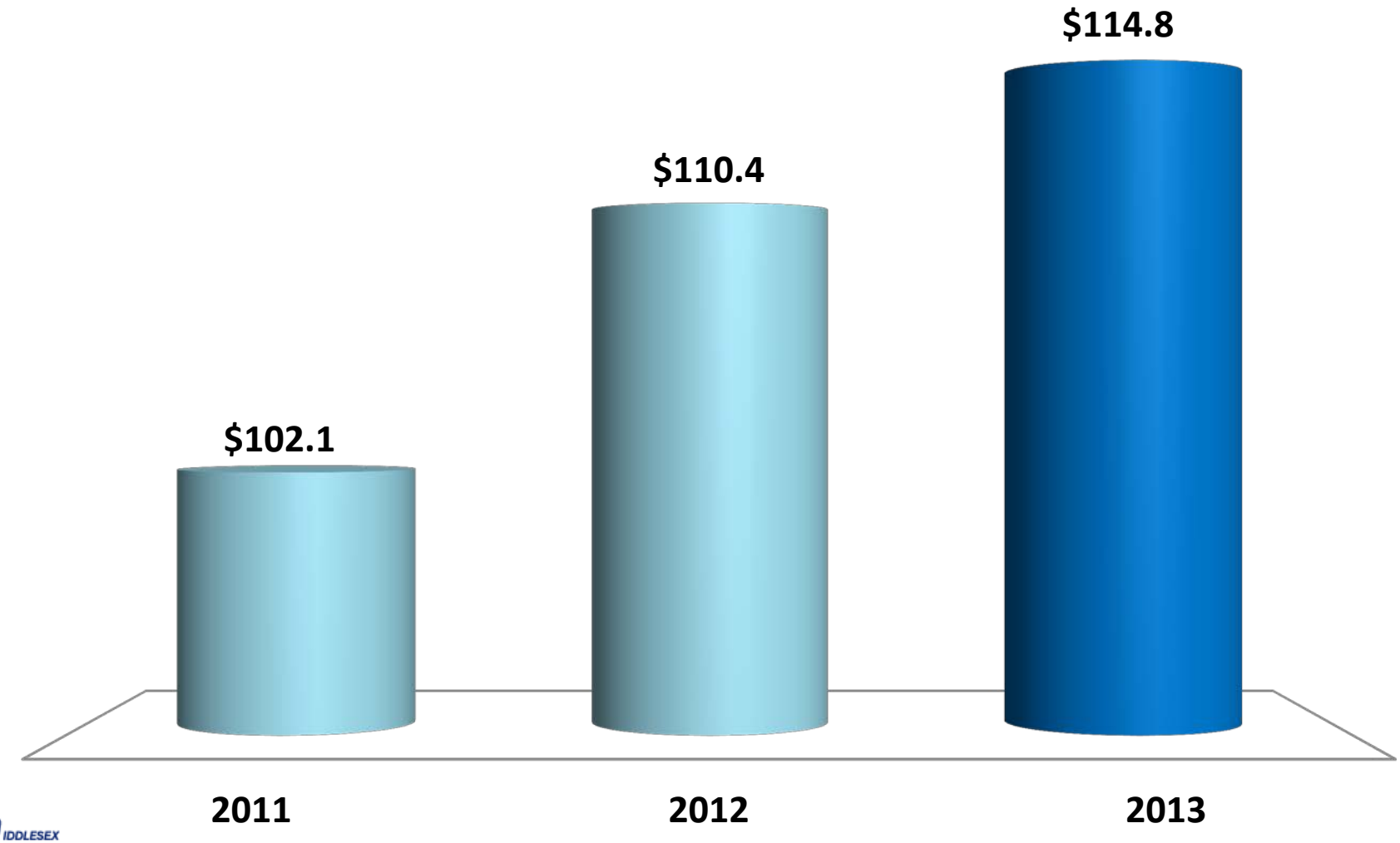
Company Overview

Incorporated:	**1897**
Market Cap: ($millions):	**$320.8 Million**
52-Week Range:	**$22.46 - $19.05**
Total Shares Outstanding:	**16.0 Million**
Dividend Yield:	**3.75%**
Dividend Rate/Share:	**$0.76**
Number of Employees:	**279**
Institutional Ownership:	**40%**

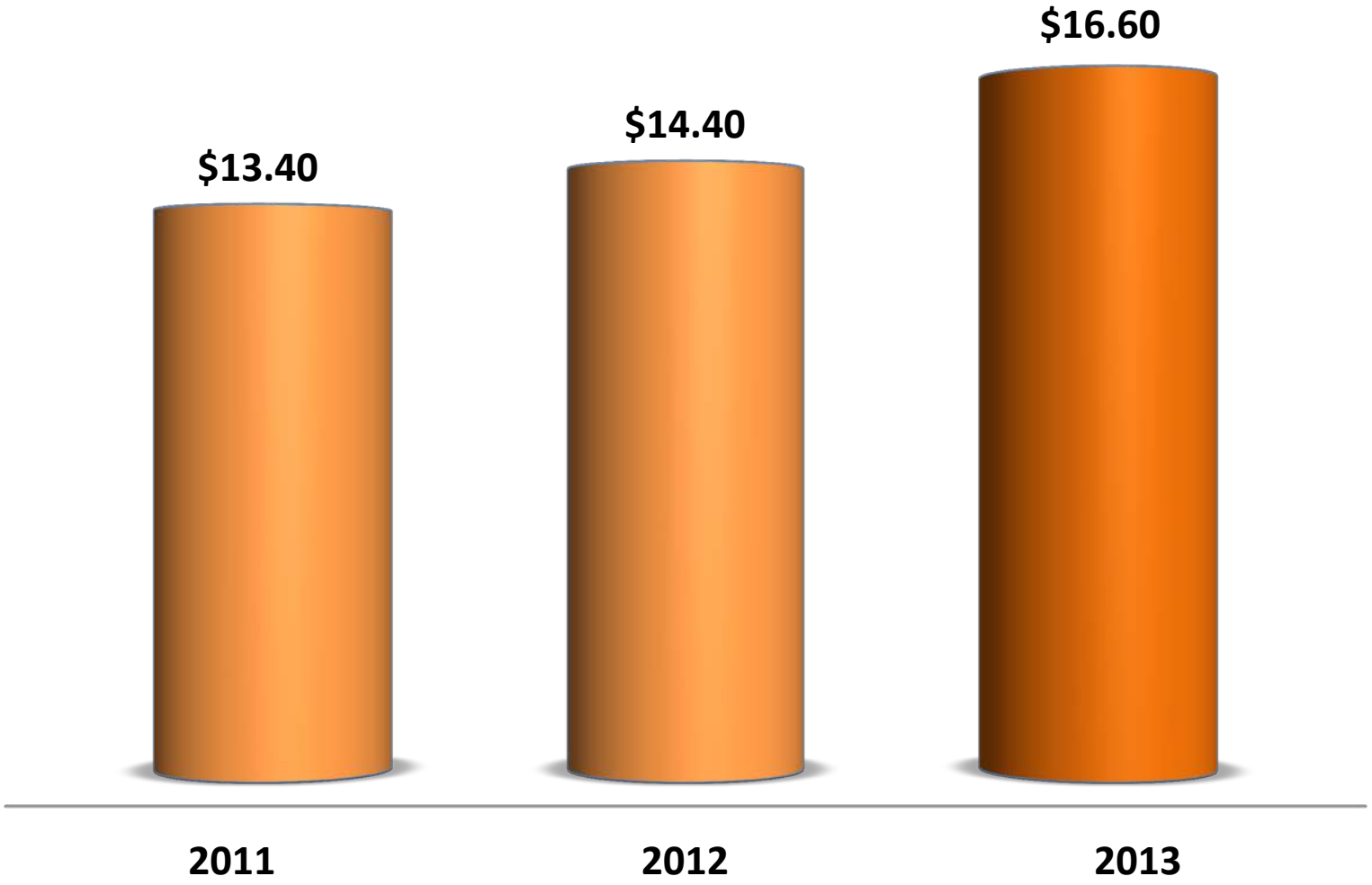
Middlesex Water owns and operates regulated water utility and wastewater systems in New Jersey, Delaware and Pennsylvania.



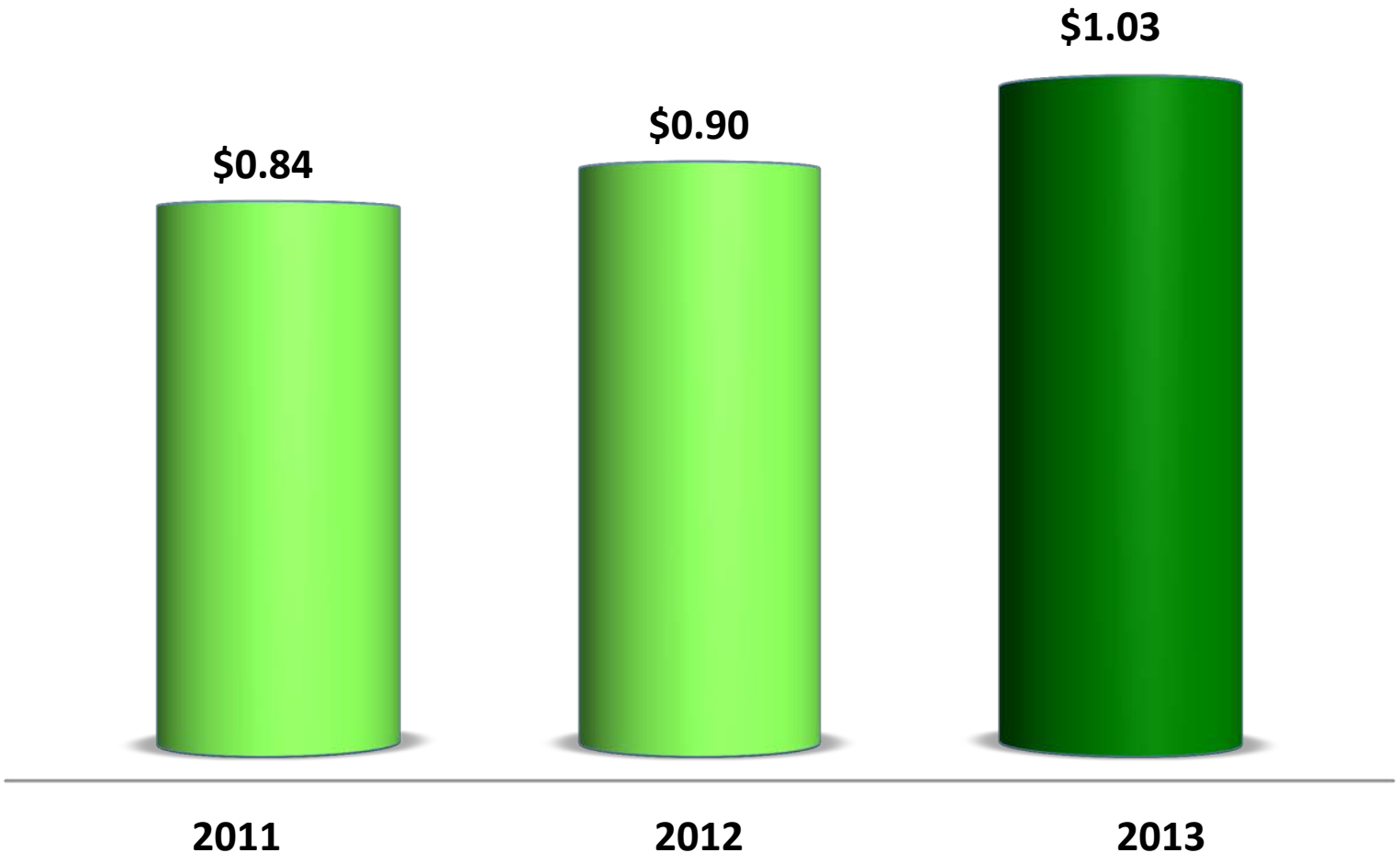
Revenues ($Millions)



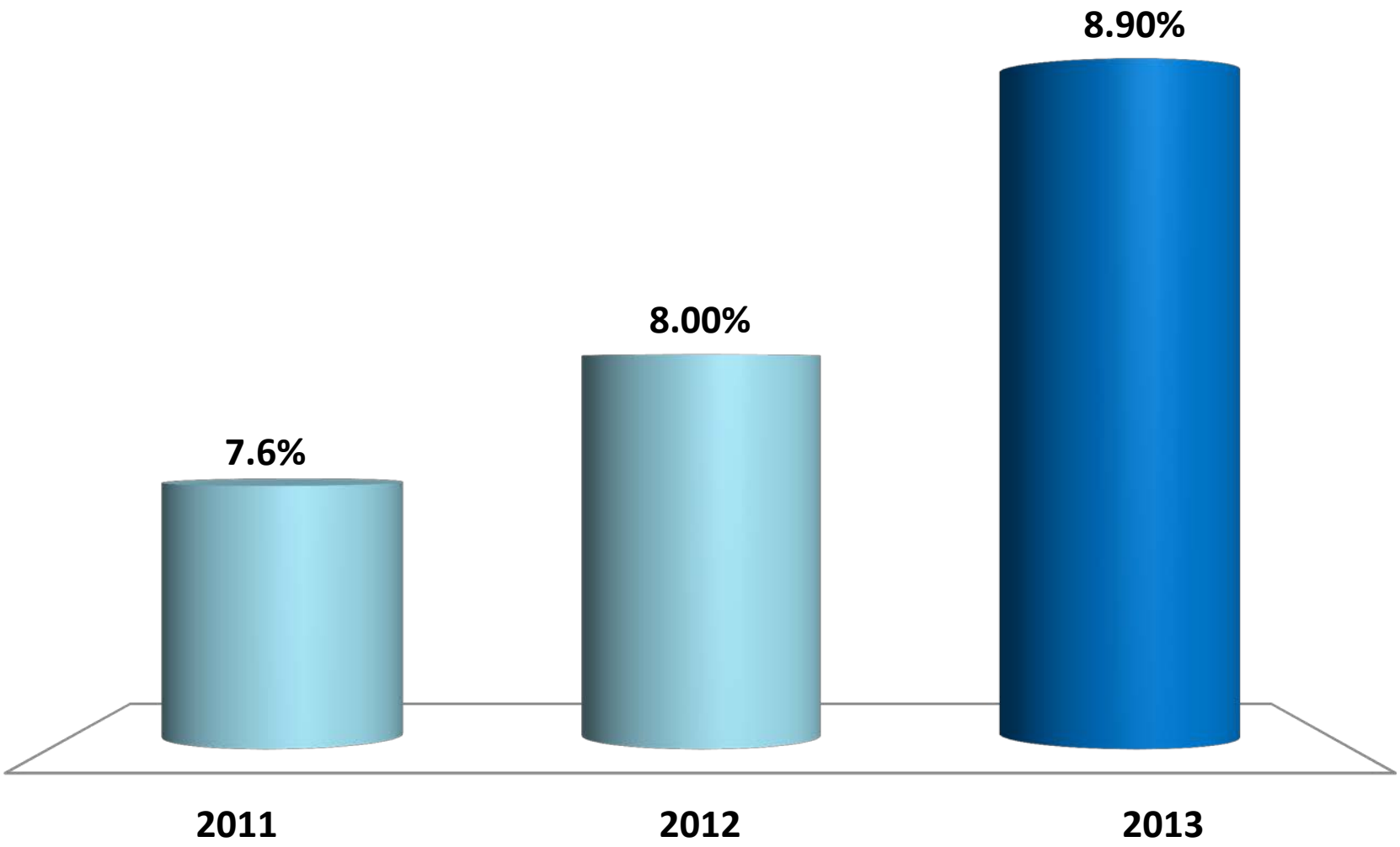
Net Income ($Millions)



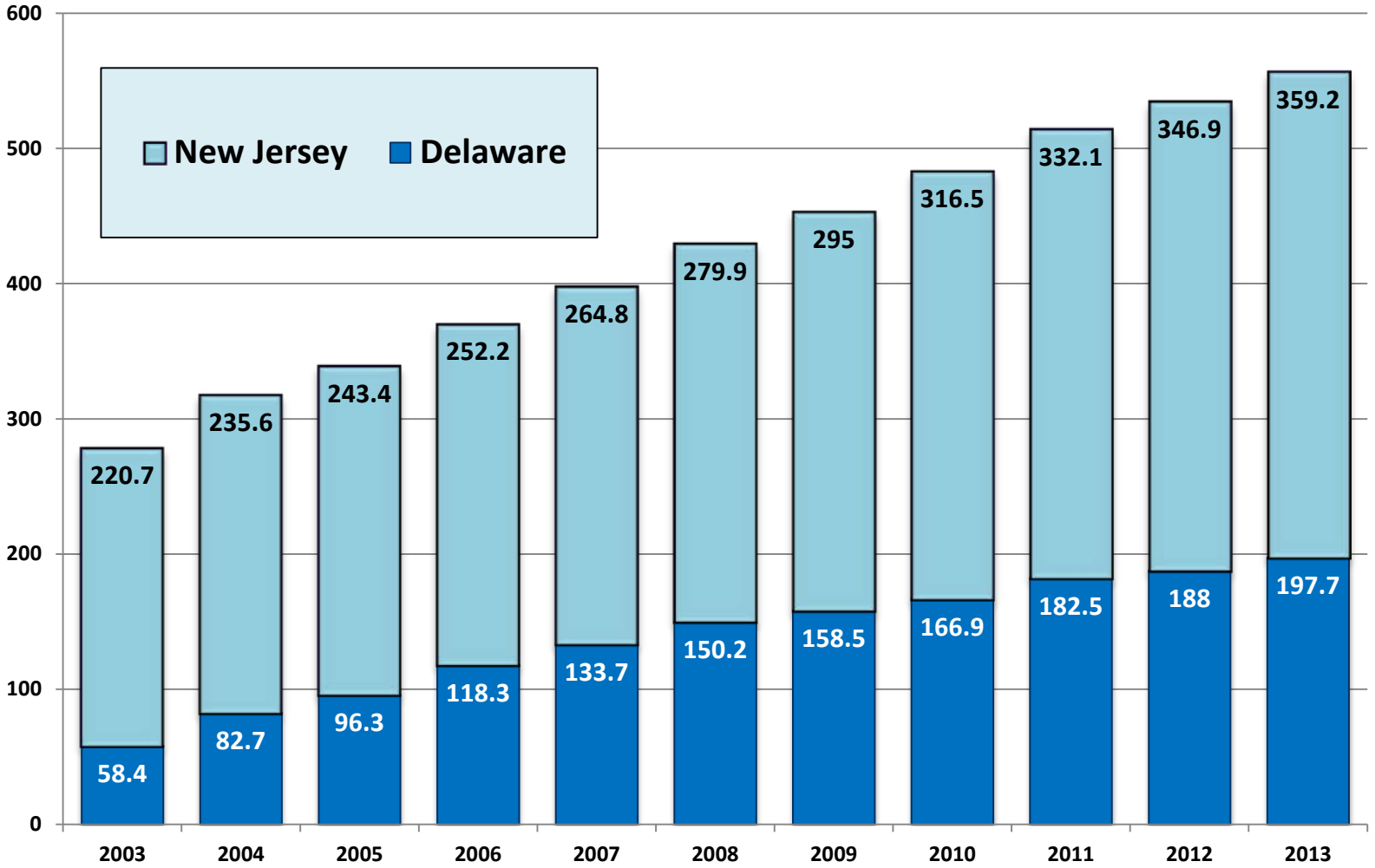
Earnings Per Share



Return on Equity



Utility Plant ($Millions)



Efficiency Performance

($Millions)

	Year Ended December 31,		
	2013	2012	2011
Operating Revenues	$114.8	$110.4	$102.1
O & M Expenses	$ 60.7	$ 60.5	$ 56.6
O & M Efficiency Ratio	47.1%	45.2%	44.6%
Regulated Efficiency Ratio	50.6%	48.8%	47.8%

Performance – Changes (in $Millions)

	2013	2014
Hess Corp.	$ 1.6	$ 2.6
Borough of Sayreville	$ 0.8	$ 3.0
Post-retirement Medical Plan	$(2.6)	$(2.6)
Interest Savings on Refinancing	$(0.9)	$(0.9)
(Favorable)/Unfavorable	$ (1.1)	$ 2.1

Performance – Changes (in $Millions)

	2014
Hess Corp.	$ 2.6
Borough of Sayreville	$ 3.0
Post-retirement Medical Plan	$(2.6)
Interest Savings on Refinancing	$(0.9)
Valuation Changes – All Benefit Plans (Favorable)	$(0.5)

Q1 Performance

($Millions except per share amounts)

	First Quarter Ended March 31,	
	2014	2013
Operating Revenues	$27.2	$27.0
O & M Expenses	$15.4	$15.4
Net Income	$ 3.2	$ 3.2
Diluted Earnings Per Share	$ 0.20	$ 0.20

Rate Activity

	Amount	Filed
-Middlesex	$10.6 Million	November 8, 2013
-Tidewater	$ 3.9 Million	November 25, 2013

		Effective
-Middlesex DSIC	$0.3 Million	November 5, 2013
-Middlesex DSIC	$0.3 Million	April 29, 2014
-Middlesex PWAC	$0.1 Million	May 1, 2013
-Tidewater DSIC	$0.1 Million	July 1, 2013

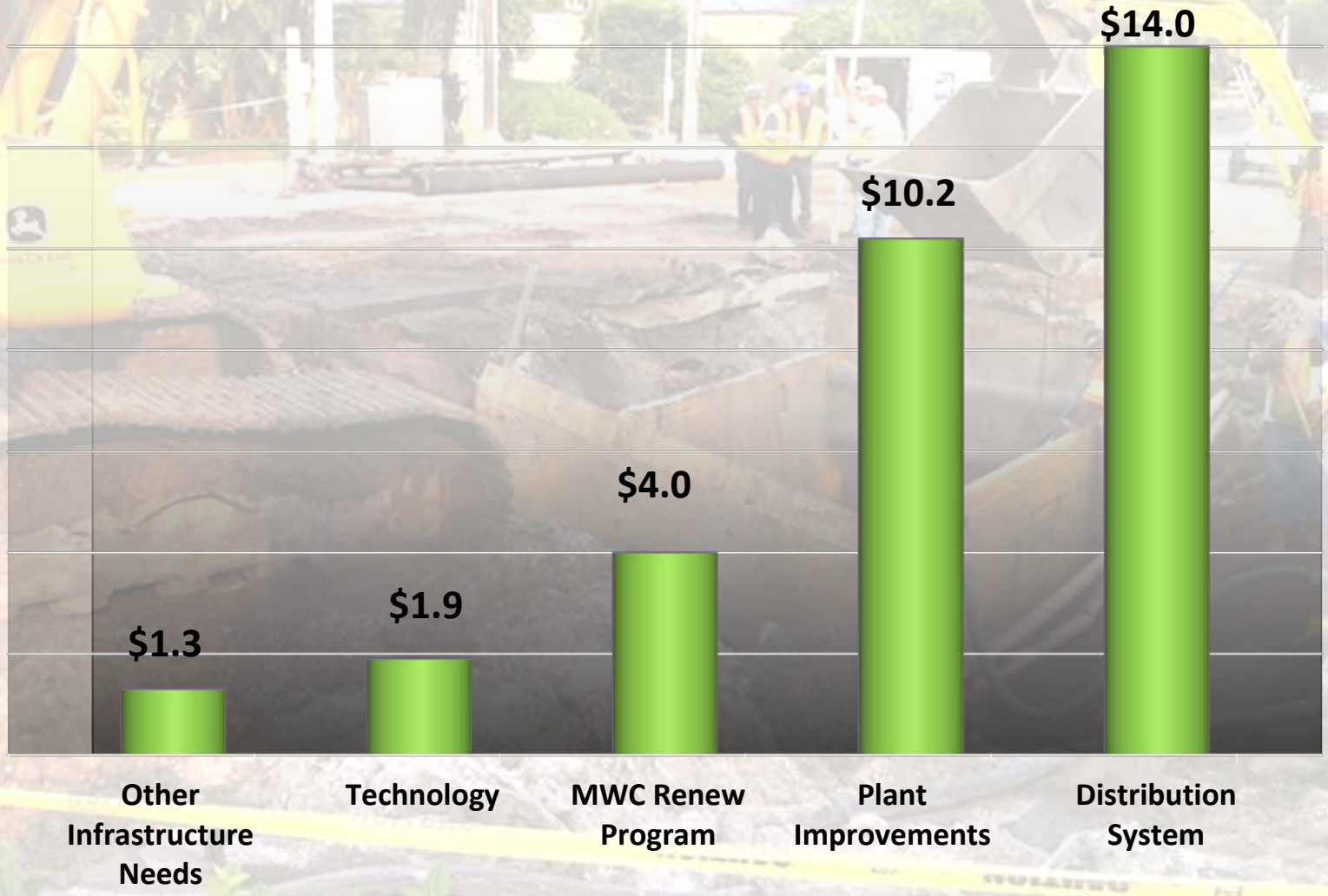
Distribution System Improvement Charge

DSIC: A rate mechanism that allows water utilities to recover investment in improvements to their water distribution system between base rate proceedings.

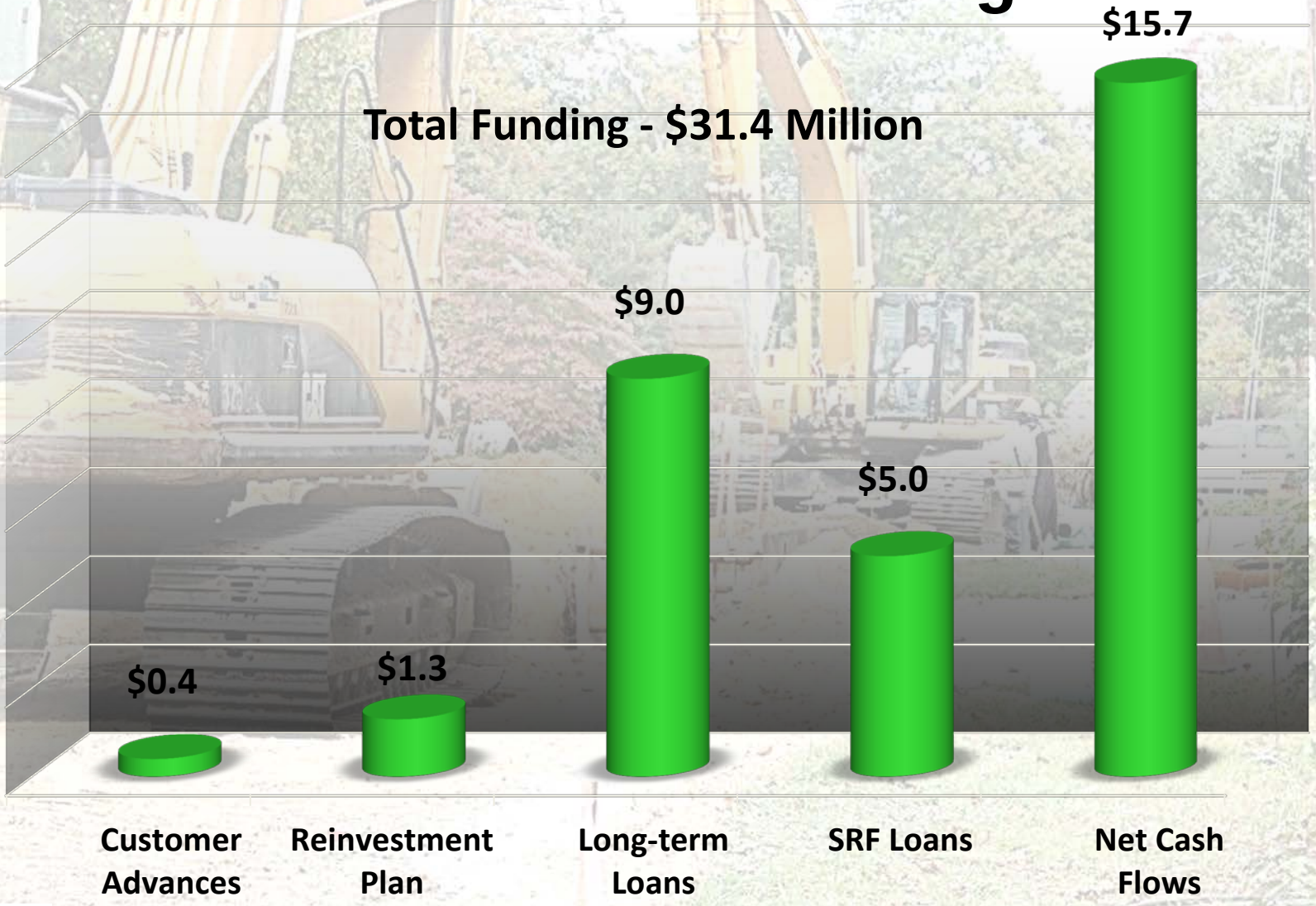
NEW JERSEY
DSIC Program in place since 2012.
June 2014 – 2nd Foundational Filing

DELAWARE
DSIC Program in place since 2001.

2014 Construction Program – $31.4 Million



Construction Funding



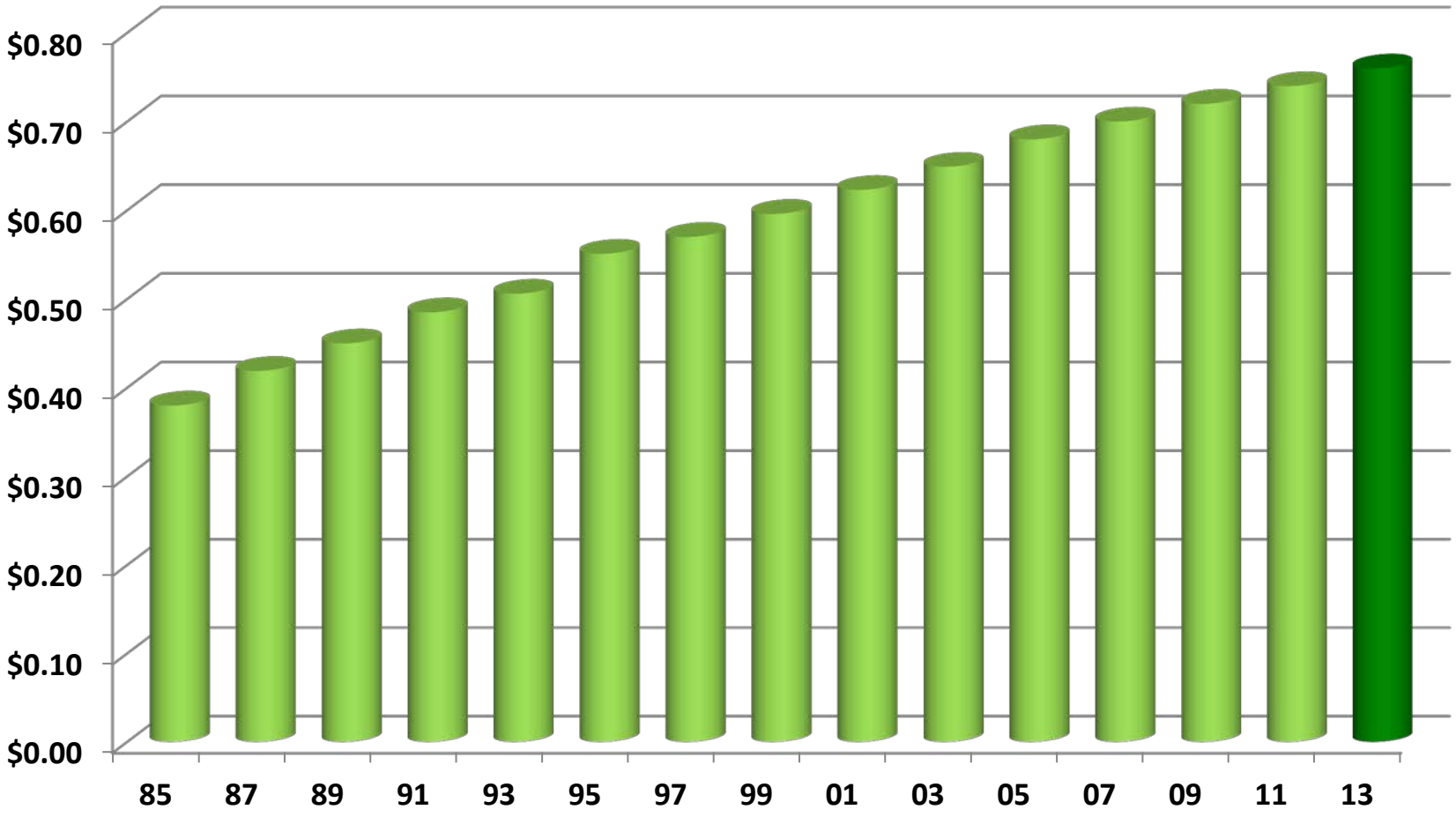
Long-Term Debt

May 2014 - $4.0 million through NJSRF Program for Middlesex RENEW Project

Effective interest rate - 1.0%

Q3 2014 Tidewater – Up to $20.0 Million

DIVIDEND HISTORY



OPERATIONS

Highlights

- Crews Endure Worst Winter Ever
- RENEW
- Disinfection By-Products Regulation
- Delaware Operations Table Top Exercise
- E-Business Suite Technology Upgrade
- Server Room Expansion
- Canal Breach Response

Service reliability never takes a snow day!

We work to ensure the protection of public health, safety and the environment.

Main
Breaks
Wreck Havoc
in Freezing
Temps

RENEW Program

- $4 Million Investment in South Amboy in 2013
- $3.8 Million Upgrade Planned in Woodbridge in 2014

Maintaining Reliability Through Investments in Infrastructure

Stage 2 Disinfection By-Products Rule

- ✓ Builds upon earlier rules that addressed disinfection byproducts to improve drinking water quality and provide additional public health protection
- ✓ Tightens compliance monitoring requirements for two groups of DBPs, trihalomethanes and haloacetic acids

Delaware employees participate in a simulated crisis management tabletop exercise as reviewers take notes for follow up emergency response/action plans.

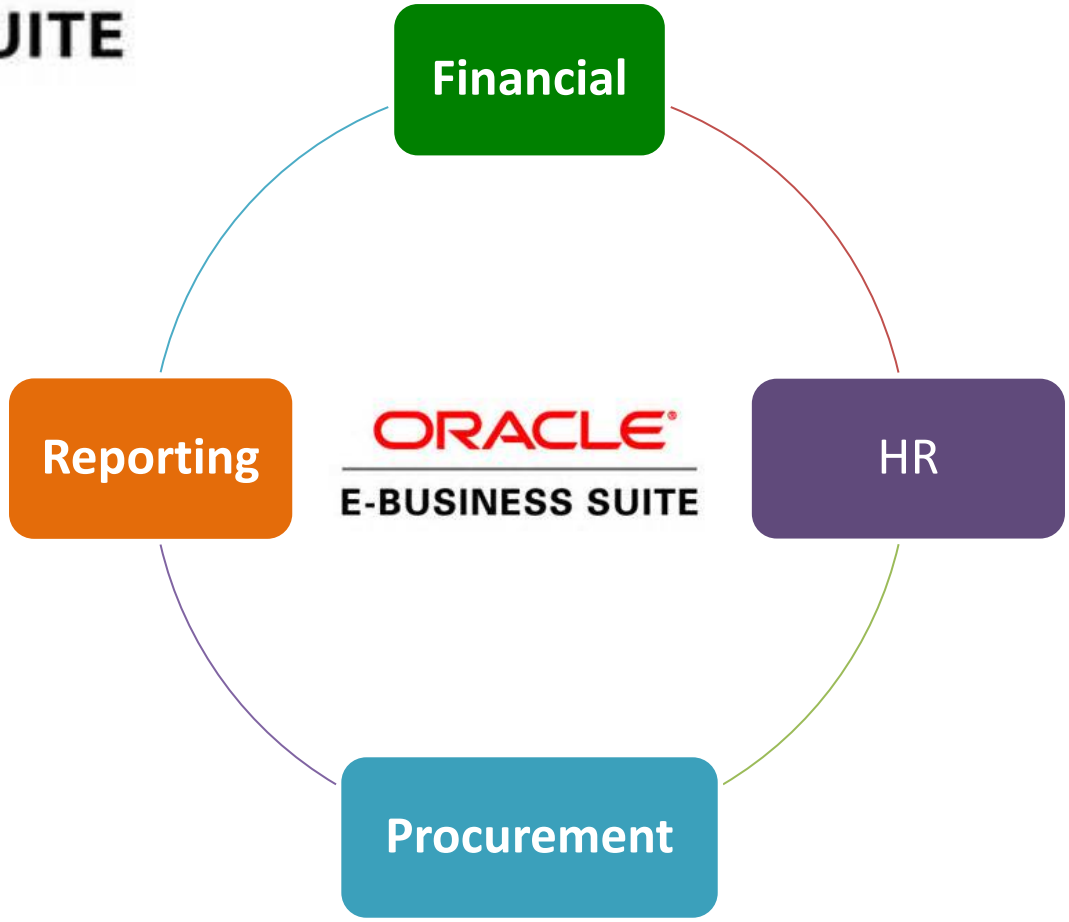
Emergency Planning

ORACLE

E-BUSINESS SUITE

UPGRADE

Spring 2014

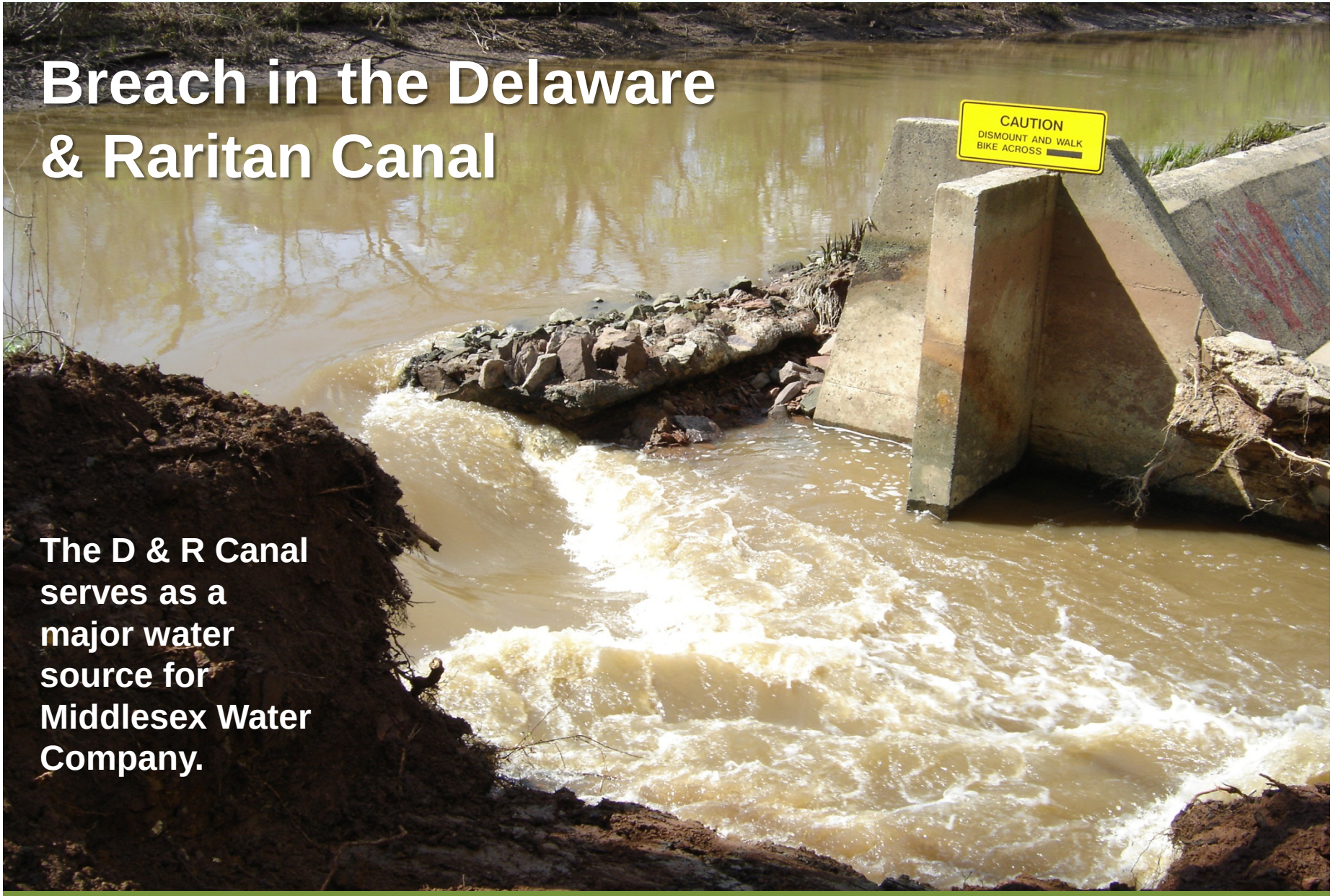


MIDDLESEX WATER COMPANY

Data Center Upgrade

- Helps to ensure power resiliency to support critical business processes
- Data expansion capability to support future growth
- Security

Breach in the Delaware & Raritan Canal



The D & R Canal serves as a major water source for Middlesex Water Company.

Engineering Honors

American Water Works Association
New Jersey Section

AWWA is the oldest and largest educational and scientific association for drinking water professionals.

G. Christian Andreasen
Director of Engineering
George Warren Fuller Honoree

MIDDLESEX WATER COMPANY

“Our growth strategy in 2013 leveraged the unique relationship between water, wastewater and energy.”

WATER AND BEYOND

- Contract Operations/Public Private Partnerships
- Renewable Energy/Industrial Applications
- Emergency Home Repair Service Plans
- Military Base Acquisitions
- Regulated Water and Wastewater Acquisitions

Power
Infrastructure
Industry
Fire Protection
Jobs
Public Health
Shelter
Watershed
Economic Growth
Sanitation
Agriculture
Livestock
WATER
ENERGY
WASTEWATER
MIDDLESEX WATER COMPANY
Our growth strategy in 2013 leveraged the unique relationship between water, wastewater and energy. These resources are inherently interconnected, impacting all segments of our society. We will continue to rely on our strengths, our strong financial base, technical experience and dedicated employees as we explore opportunities and offer practical solutions in the realm of water and beyond.

Biogas System at the Village of Ridgewood Water Pollution Control Facility

Liquid waste receiving station increases biogas production

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Biogas Project Added at Middlesex Water Company
Posted on October 21, 2013 by Joanna Schroeder
A new biogas system designed to optimize the production of electricity
completed in the Village of Ridgewood, New Jersey. Partners in the pr
Systems Utilities (NSU), Middlesex Water Company (MWC) and Americ
(ARB). The biogas project will power the water pollution control plant an
demand on the grid, lowering its utility costs.
"Our public private partnership wi
ARB makes Ridgewood a national
municipal wastewater treatment," sa
Mayor Paul Aronsohn. "Producing e
reduces cost while powering the faci
renewable energy provides environm
community. To be able to accomplish
to the taxpayer while realizing environ
Village is something we can all take pri
Representatives of the Village of Ridgewood, NJ, Natural Systems Utilities, and Middlesex Water Company celebrated the
Village of Ridgewood Biogas – Renewable Energy Project
Ridgewood, NJ
Renewable Energy System Owner: Ridgewood Green RME, LLC
Host Utility: Village of Ridgewood
Developer: Natural Systems Utilities and Middlesex Water Company
Contact: Don Rodgers, Natural Systems Utilities, 908-431-7009, drodgers@naturalsystemsutilities.com
Goal: Enhance anaerobic digesters at a municipal wastewater treatment plant to produce an amount of renewable energy that is equivalent to up to 100% of the power demand of the plant.
Impetus: Improve affordability, resiliency and sustainability of wastewater treatment operations for the Village of Ridgewood.
Parties: Financed through a public private partnership between the Village of Ridgewood and Ridgewood Green RME (RGRME) that provided the merchant waste receiving facilities: biogas conditioning and combined heat and power equipment at no capital cost to the Village of Ridgewood. RGRME recovers the investment by selling power to the Village of Ridgewood through a power-purchase agreement.
Organizations Involved: Natural Systems Utilities*, Middlesex Water Company, American Refining and Biochemical, Inc., Village of Ridgewood, NJ, Hydroqual Inc.*, Bio-Organic Catalyst, Inc.
Renewable Energy System
Ridgewood, NJ
BIOMASS
ELLETS | POWER | THERMAL | BIOGAS | ADVANCED BIOFUELS | CHEMICALS
WHERE THE BIOENERGY WORLD MEETS
REGISTER NOW!
INTERNATIONAL BIOENERGY
Biogas, solar power N.J. wastewater treatment plant
Join Our Mailing List
Free Consultation
Talk to us about your next bioenergy project. Click Here
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FREE WEBINAR
Village of Ridgewood Biogas Project Led by HDR Utilities Receives Renewable Energy Project of the Year Award
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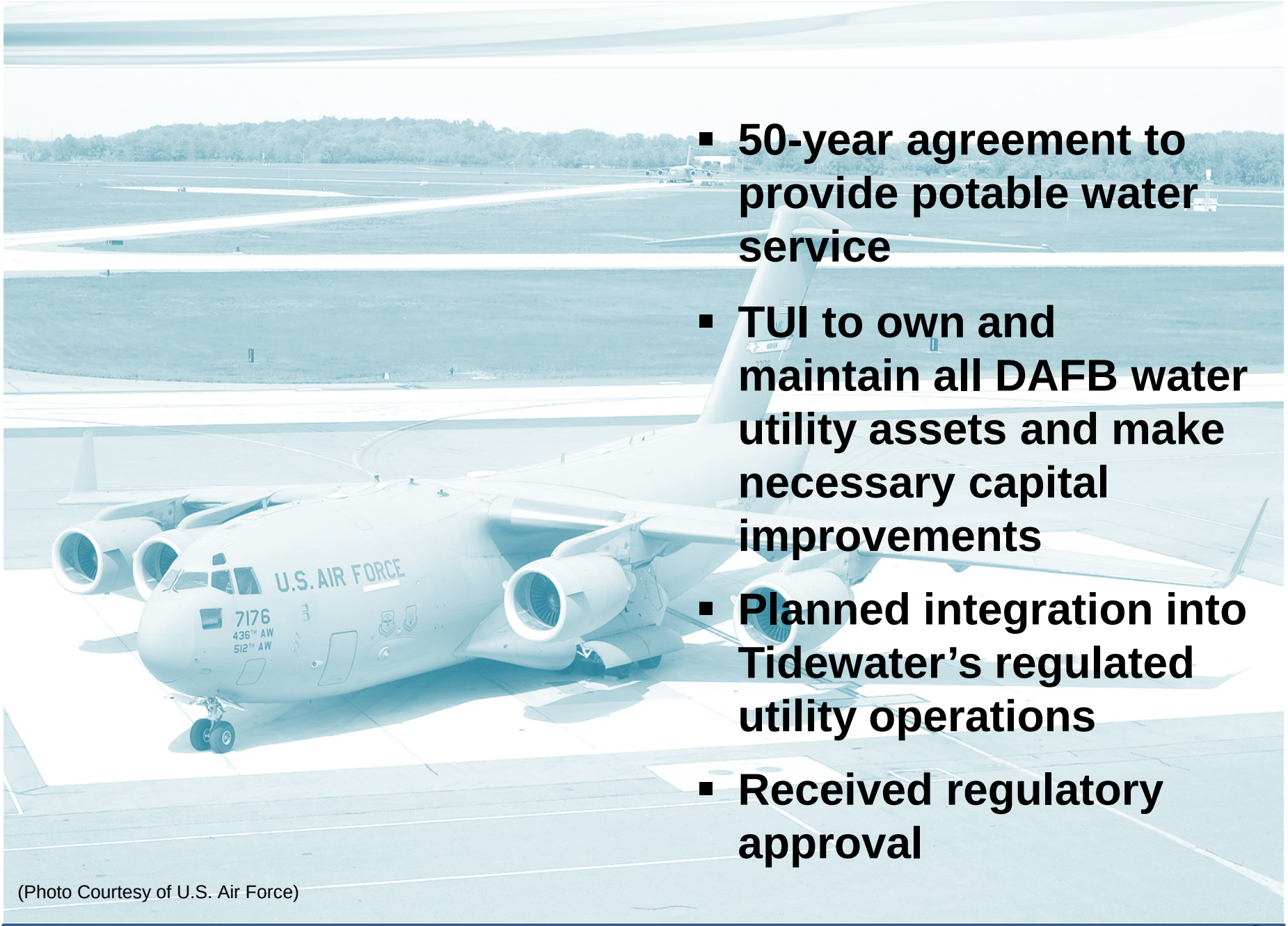
"JUST MIX, POUR, AND YOU'RE GOOD TO GO."
Home Editorial Nice Reward, No Risk
Nice Reward, No Risk
By Doug Day | Greening the Plant | May 2014
A New Jersey village gets a cost-saving renewable power system based on biogas and solar without making any capital investment.
The Village of Ridgewood (N.J.) Water Pollution Control Facility is cutting its costs by adding biogas and solar power generation — that's nothing new. But leaders in this village of 26,000 did it without spending money. Instead, they entered an agreement with other parties who provided the funds in exchange for sharing in project savings and revenue.
"We wanted to do it with a small plant in a community that wanted to be green, use renewable energy, save money, and do something good for the surrounding community and the environment," says Dennis Doll, Middlesex Water Company CEO.
Technology used to convert methane gas to electricity includes anaerobic digesters, a 240 kW engine/generator from Kraft Power, and a 50 kW solar field from Advanced Solar.
ProSeries-M
From The Editor | November 11, 2013
Waste To Energy: WWTP Powered 100% By Renewable Sources

Groundbreaking for Construction of Monmouth County Leachate Pre-Treatment Facility

Agreement to design, construct and operate a leachate pre-treatment facility at the Monmouth County Reclamation Center in Tinton Falls, NJ.

Agreement with U.S. Department of Defense for Privatization of Water System of Dover Air Force Base

(Photo Courtesy of U.S. Air Force)



- **50-year agreement to provide potable water service**
- **TUI to own and maintain all DAFB water utility assets and make necessary capital improvements**
- **Planned integration into Tidewater's regulated utility operations**
- **Received regulatory approval**

(Photo Courtesy of U.S. Air Force)

Photo Courtesy of U.S. Air Force

Dover Air Force Base executes hundreds of missions and provides 25% of the Nation's strategic airlift capability, projecting global reach to over 100 countries in the world.

Wastewater System Acquisition

In October 2013, TESI closed on the DEPSC approved purchase of the wastewater utility assets of the Plantations Development in Delaware.

Industry Observes World Water Day 2014 at NASDAQ

Outreach & Education

Strong Community Participation

Honors & Awards

TOP WORK PLACES 2013
The News Journal
delawareonline

Best Tasting Water in Delaware

A PROGRAM OF NJBIZ
BUSINESS OF THE YEAR
2013

MIDDLESEX WATER COMPANY

Management Transition

Kenneth J. Quinn

Jay. L. Kooper

Strategy For Growth & Success

- **Build and maintain trust in all of our internal and external interactions**
- **Facilitate quality of life and economic stability and growth for current and future customers by providing a comprehensive suite of sustainable water and wastewater solutions**
- **Actively pursue sensible growth opportunities to the benefit of both customers and shareholders**
- **Innovate within the scope of our core technical competencies while also partnering with those who complement our values and skills, to participate in new markets and enhance service to customers**

Questions?

These slides will be archived on the Investor Relations section of our website at www.middlesexwater.com under Presentations.

NASDAQ:MSEX