



Agenda Date: 4/15/15
Agenda Item: 5A

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

WATER

IN THE MATTER OF THE PETITION OF MIDDLESEX)
WATER COMPANY FOR APPROVAL TO ISSUE UP)
TO 3,000,000 SHARES OF COMMON STOCK UNDER)
ITS DIVIDEND REINVESTMENT AND COMMON)
STOCK PURCHASE PLAN)

ORDER

DOCKET NO. WF15020146

Parties of Record:

Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel
Jay L. Kooper, Esq., Vice President, General Counsel & Secretary, Middlesex Water Company

BY THE BOARD:

Middlesex Water Company ("Company" or "Petitioner"), a public utility of the State of New Jersey, by a verified petition filed on February 9, 2015, requests authority pursuant to N.J.S.A. 48:3-9 and N.J.A.C. 14:1.5.9 to issue and sell up to 3,000,000 shares of its Common Stock having no par value, through its Dividend Reinvestment and Common Stock Purchase Plan (Plan), to holders of record of its Common Stock.

Under this Plan, holders of record of Petitioner's Common Stock are entitled to elect to apply all or part of their dividends to the purchase of additional new issue shares of Common Stock. The Holders may also purchase said additional shares by means of optional cash payments at any time in an amount up to a total of \$25,000 per calendar quarter (minimum \$25 per payment) at a price equal to 100% of the average of the daily averages of the high and low sale prices for such shares as quoted by The NASDAQ Global Select Market for the five days on which Petitioner's Common Stock was traded on such market immediately preceding and ending on the applicable investment date or optional cash payment purchase date. The Plan also authorizes the Company to implement, from time to time, a 5% reduction in the purchase price of Common Stock for participants in the Plan.

Under the Plan, Broadridge Corporate Issuer Solutions, Inc., Philadelphia, Pennsylvania ("Agent") may, for the benefit of participants, purchase directly from Petitioner, authorized but unissued shares of Common Stock. Petitioner plans to issue to the Agent, from time to time, in

accordance with the Plan, an aggregate of not more than 3,000,000 shares of Petitioner's authorized and unissued Common Stock.

The purpose of the Plan is to provide participants with a convenient and economical way of reinvesting cash dividends paid on shares of Common Stock, as well as optional cash payments, for shares of Common Stock, without payment of any brokerage commission fee or service charge. Shares of Common Stock purchased under the Plan by participants will be acquired directly from the Company. The pricing mechanism with respect to the purchase of shares is set forth in the Plan's Prospectus, a copy of which is annexed to the Petition as Exhibit A.

The Company plans to use the proceeds from the sales of Common Stock pursuant to the Plan for general working capital needs, ongoing capital improvements, and for other corporate purposes.

The exact amount to be realized from the issuance and sale of the 3,000,000 shares cannot be determined because it depends upon the number of shares sold and the market prices during each pricing period. Staff is of the opinion that the issuance and sale of Common Stock through the Plan is an economical means of raising new capital.

The New Jersey Division of Rate Counsel ("Rate Counsel") reviewed this matter and, by correspondence dated March 27, 2015, requested that certain provisions be included in the Order to satisfy Rate Counsel's concerns. Said provisions are included.

The Board, after investigation, being satisfied with the action proposed to be taken by Petitioner as described above, **HEREBY FINDS** that the proposed transaction is made in accordance with law, is in the public interest, and approving the purposes thereof:

HEREBY ORDERS that Middlesex Water Company be and is **HEREBY AUTHORIZED** to issue and sell up to 3,000,000 shares of Common Stock having no par value, through its Dividend Reinvestment and Common Stock Purchase Plan for holders of record above described.

This Order is issued subject to the following provisions:

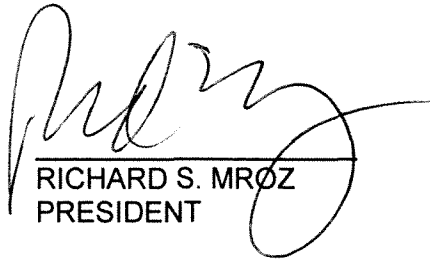
1. This Order shall not be construed as a certification that the securities authorized to be offered for sale will be represented by tangible or intangible assets of commensurate value or investment cost.
2. The Board's approval is expressly limited to the sale of Common Stock without par value described herein and as more fully described in the Petition and supporting documents.
3. This Order shall not affect or in any way limit the exercise of the authority of the Board or of the State, in any future petition or in any proceeding with respect to rates, franchises, services, financing, accounting, capitalization, depreciation, or in any other matter affecting the Petitioner.
4. This Order shall not be construed as directly or indirectly fixing, for any purpose whatsoever, any value of the tangible or intangible assets now owned or hereafter to be owned by Petitioner.

5. Pursuant to N.J.A.C. 14:1-5.9(b), Petitioner shall file semiannually with the Board a statement setting forth the following: (1) the amount of stocks or other evidence of indebtedness issued under this Order; and (2) the extent to, and in detail, the manner in which the proceeds thereof have been disbursed.

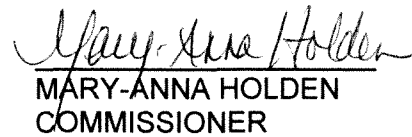
This Order will be effective April 24, 2015.

DATED: 4/15/15

BOARD OF PUBLIC UTILITIES
BY:

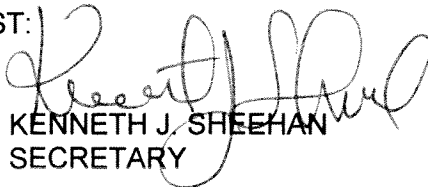

RICHARD S. MRÓZ
PRESIDENT


JOSEPH L. FIORDALISO
COMMISSIONER

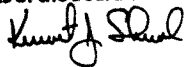

MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:

KENNETH J. SHEEHAN
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public Utilities



IN THE MATTER OF THE PETITION OF MIDDLESEX WATER COMPANY FOR APPROVAL
TO ISSUE UP TO 3,000,000 SHARES OF COMMON STOCK UNDER ITS DIVIDEND
REINVESTMENT AND COMMON STOCK PURCHASE PLAN
DOCKET NO. WF15020146

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