



Eastern Shore Natural Gas Company Receives Positive Environmental Assessment from FERC for Del-Mar Energy Pathway Project

May 6, 2019

DOVER, Del., May 6, 2019 /PRNewswire/ -- Chesapeake Utilities Corporation (NYSE: CPK) announced today that the Federal Energy Regulatory Commission (FERC) has issued a positive environmental assessment of the Company's Del-Mar Energy Pathway Project (Project) (Docket No. CP18-548-000). The Project, which was applied for in September of 2018 by Eastern Shore Natural Gas Company (ESNG), Chesapeake Utilities' interstate natural gas transmission subsidiary, proposes the construction and operation of new natural gas pipeline and meter and delivery (M&R) stations in Kent and Sussex counties in Delaware, and Wicomico and Somerset counties in Maryland.

"We have continued to meet the growing market demand for natural gas in the region by expanding our transmission pipeline capacity in recent years," said Jeff Tietbohl, Vice President of Eastern Shore Natural Gas Company. "This project will play a significant role in providing clean, reliable and cost-effective natural gas to underserved areas on the Delmarva Peninsula."

The FERC staff concluded that the proposed Project, with appropriate mitigating measures, would not significantly impact the environment. The Project proposes to add approximately 12 miles of natural gas pipeline in Kent and Sussex counties and nearly seven miles of pipeline in Wicomico and Somerset counties. FERC certificate authorization is anticipated by the end of the second or third quarter of 2019 and construction of the Del-Mar Energy Pathway Project is expected to commence later this year.

The construction and operation of the new natural gas pipeline and related facilities will provide approximately 11.8 million cubic feet per day of additional natural gas firm transportation service and 2.5 million cubic feet of off-peak transportation service to Chesapeake Utilities' natural gas distribution subsidiaries on the Delmarva Peninsula and one industrial customer.

The projected cost of the project is approximately \$37 million. The anticipated annual gross margin for the Del-Mar Energy Pathway Project is \$5.1 million. For more information on the project, visit <https://bit.ly/2GNiBef>.

About Chesapeake Utilities Corporation

Chesapeake Utilities Corporation is a diversified energy company engaged in natural gas transmission and distribution; electricity generation and distribution; propane gas distribution; and other businesses. Information about Chesapeake Utilities Corporation's businesses is available at www.chpk.com or through the Company's Investor Relations App.

About Eastern Shore Natural Gas Company


Eastern Shore Natural Gas Company, a subsidiary of Chesapeake Utilities Corporation, owns and operates a 486-mile interstate pipeline that transports natural gas from various points in Pennsylvania to customers in Delaware, Maryland and Pennsylvania. For more information, visit www.esng.com.

Please note that Chesapeake Utilities Corporation is not affiliated with Chesapeake Energy, an oil and natural gas exploration company headquartered in Oklahoma City, Oklahoma.

Cautionary Note Regarding Forward-Looking Statements: Statements in this release that are not historical are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as "expect," "likely," "outlook," "forecast," "would," "could," "should," "can," "will," "project," "intend," "plan," "goal," "target," "continue," "sustain," "believe," "seek," "estimate," "anticipate," "may," "possible," "assume," variations of such words and similar expressions are intended to identify such forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions that could cause actual results to vary materially from those indicated, including the factors described in Item 1A (Risk Factors) of our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q, each of which is incorporated herein by reference, and in other documents that we file or furnish with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. Accordingly, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Except to the extent required by law, the Company does not undertake, and expressly disclaims, any duty or obligation to update publicly any forward-looking statement after the date of this release, whether as a result of new information, future events, changes in assumptions or otherwise.

For more information, contact:

Justin Mulcahy
Public Relations Manager
302.217.7050
jmulcahy@chpk.com

 View original content: <http://www.prnewswire.com/news-releases/eastern-shore-natural-gas-company-receives-positive-environmental-assessment-from-ferc-for-del-mar-energy-pathway-project-300844449.html>

SOURCE Chesapeake Utilities Corporation