



## Chesapeake Utilities Corporation and TECO Peoples Gas Partner on Callahan Pipeline in Northeast Florida

May 22, 2019

DOVER, Del., May 22, 2019 /PRNewswire/ -- Chesapeake Utilities Corporation (NYSE: CPK) announced today that its Florida subsidiary, Peninsula Pipeline Company, Inc., has entered into an agreement with SeaCoast Gas Transmission, an affiliate of Tampa-based TECO Peoples Gas (PGS) to jointly develop the Callahan Intrastate Pipeline, bringing additional natural gas capacity to Nassau and Duval Counties. The new supply source will enable both Florida Public Utilities Company (FPU), another Chesapeake Utilities subsidiary, and PGS to expand natural gas distribution service in this growing area of Florida. FPU and PGS previously worked together in 2012 to introduce natural gas service to Nassau County.

"We are delighted to work with TECO Peoples Gas to jointly increase the availability of natural gas in Nassau and Duval Counties. Expanding access to safe, reliable and clean natural gas plays an important role in the continuing economic development of the northeast Florida region," said Jeff Householder, President and Chief Executive Officer of Chesapeake Utilities Corporation. "Working together we avoid the cost of duplicative pipeline facilities," he added.

"The Callahan pipeline is an exciting development and continues to demonstrate Peoples Gas' commitment to the Jacksonville region," said T.J. Szelistowski, president of Peoples Gas. "This pipeline will increase the delivery of affordable, reliable, efficient and domestic natural gas to the area. We are proud to be a part of this partnership to deliver the most cost-effective energy solution to Jacksonville-area customers."

The Callahan Intrastate Pipeline facilities include a 26.5-mile-long joint natural gas pipeline that will initiate from a gate station to be constructed on the Southern Natural Gas Cypress Interstate Pipeline near Crawford Road in Callahan, Florida to Radio Avenue and Highway 17 in Yulee, Florida. Peninsula Pipeline will construct, partially own and fully maintain the pipeline.

"The project will increase Chesapeake's footprint in underserved communities in Northeast Florida while providing additional capacity to serve industrial and commercial growth in Nassau County," said Kevin Webber, President of the Company's Florida business unit, which includes FPU. Chesapeake Utilities Corporation has a long-standing history in Florida, beginning with the acquisition of Central Florida Gas Company in 1985, followed by the acquisition of FPU in 2009.

The estimated cost of the pipeline is \$65 million, to be split between both companies. Construction is set to begin next month with a target in-service date of September 2020.

FPU and PGS will be seeking the necessary Florida Public Service Commission regulatory approvals associated with access to the additional pipeline capacity and increased distribution capabilities.

### 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](http://www.chpk.com) or through the Company's Investor Relations App.

### About Florida Public Utilities Company

Florida Public Utilities Company is a wholly-owned subsidiary of Chesapeake Utilities Corporation. Headquartered in Fernandina Beach, Florida, FPU distributes natural gas and propane and provides electric services to approximately 100,000 customers in markets throughout Florida. For more information, visit [www.fpub.com](http://www.fpub.com).

### About TECO Peoples Gas

Peoples Gas System, Florida's largest natural gas distribution utility, serves about 390,000 customers across Florida. Peoples Gas is a subsidiary of Emera Inc., a geographically diverse energy and services company headquartered in Halifax, Nova Scotia, Canada. For more information, visit [www.peoplesgas.com](http://www.peoplesgas.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.*

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