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To generate increased shareholder value

2018 AGA Financial Forum

May 2018

CHESAPEAKE UTILITIES CORPORATION

Forward Looking Statements and Other Disclosures

Safe Harbor Statement: Some of the Statements in this document concerning future Company performance will be forward-looking within the meanings of the securities laws. Actual results may materially differ from those discussed in these forward-looking statements, and you should refer to the additional information contained in Chesapeake Utilities Corporation's 2017 Annual Report on Form 10-K filed with the SEC and our other SEC filings concerning factors that could cause those results to be different than contemplated in today's discussion.

REG G Disclosure: Today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation G. Although non-GAAP measures are not intended to replace the GAAP measures for evaluation of Chesapeake's performance, Chesapeake believes that the portions of the presentation, which include certain non-GAAP financial measures, provide a helpful comparison for an investor's evaluation purposes.

Gross Margin (non-GAAP measure): Gross Margin is determined by deducting the cost of sales from operating revenue. Cost of sales includes the purchased fuel cost for natural gas, electric and propane distribution operations and the cost of labor spent on different revenue-producing activities. Other companies may calculate gross margin in a different manner.

Adjusted EPS (non-GAAP measure): Diluted Earnings per share excluding the impact of certain significant new non-cash items, including: the impact of the revaluation of the Company's unregulated energy segment's deferred tax assets and liabilities due to the Tax Cuts and Jobs Act of 2017, and the timing related to mark-to-market accounting.

Driven by Our Strategy

Energized by Our Employees

Results

Developing
New Business Opportunities
and
Executing Existing
Business Unit Growth

Engagement Strategies
Provide the Strategic Infrastructure for
Sustainable Growth

Results

- Safety Awards
- Top Workplace for Six Years
- 2017 Corporate Governance Award Winner
- Leadership Awards
- Community Service Awards
- Other Recognition across the Organization
- Achieving sustainable strong growth in earnings
- Achieving top quartile Total Shareholder Return

Maximize Growth in Existing Footprint and Expand Into New Territories

- Maximize organic growth in existing geographic footprint
- Expand into new geographic areas and into new complementary businesses
- Develop additional growth across business units

Engagement Strategies

- Energized Employees
- Unified Brand Strategy
- Engaging Customers
- Engaging with Communities
- Strategic Thinking

Key Elements of Our Strategy

Grow earnings from a stable utility foundation and invest in related businesses that enhance shareholder value

Executing on capital investments that generate returns greater than our cost of capital

Expanding our energy distribution and transmission businesses organically including new geographic areas

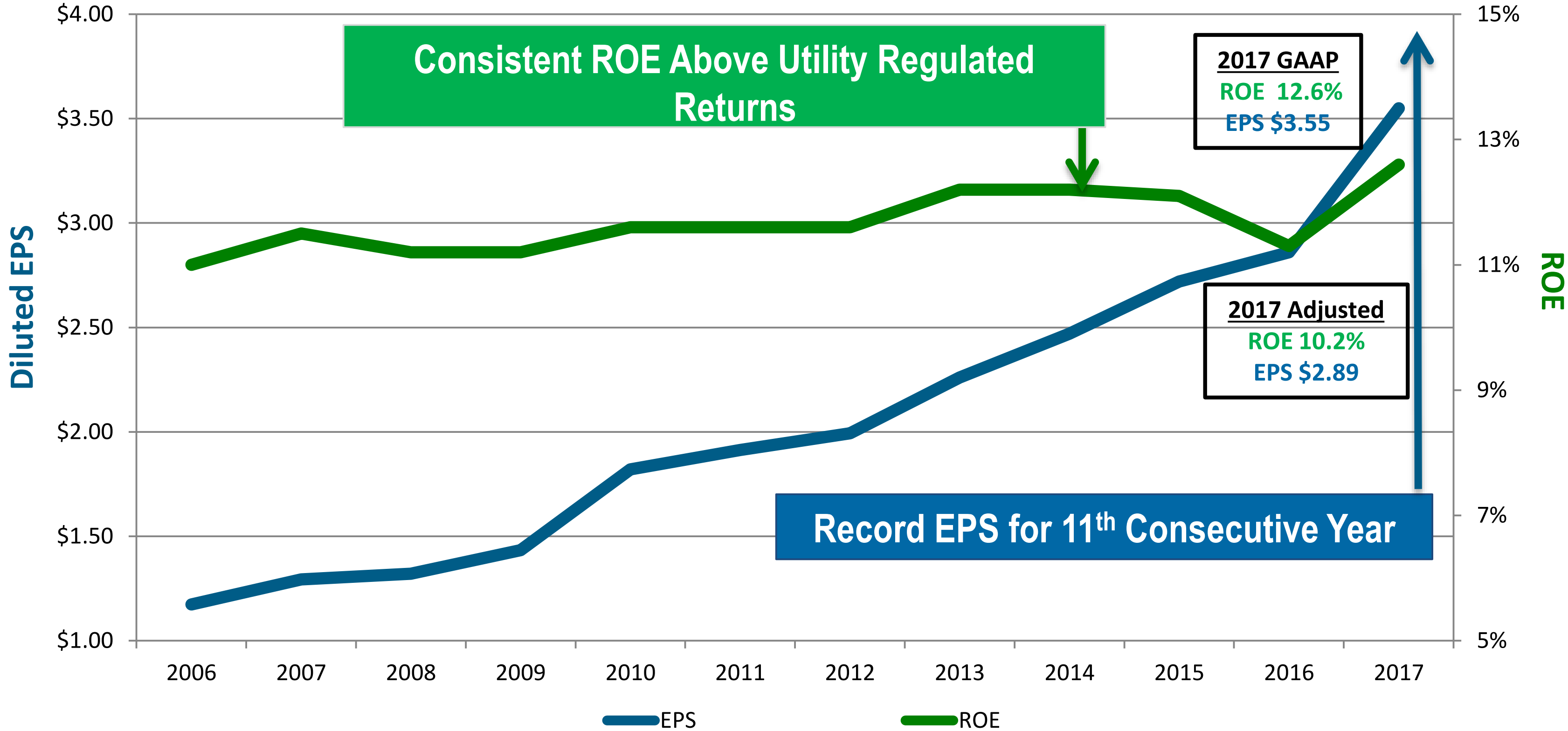
Seek to leverage our pipeline capabilities, skill sets, and assets and be a preferred owner and operator of pipeline systems to serve high growth markets within and beyond our existing footprint

Expand our footprint in potential growth markets through strategic investments

Enter new unregulated energy businesses that complement our existing operating units and growth strategy, while capitalizing on opportunities across the energy value chain

Differentiate Chesapeake as a full-service energy supplier / partner / provider - through a customer-centric model

Generating Record Results
EPS and Return on Equity ("ROE")



Chesapeake's $3.55 earnings per share for 2017 and adjusted EPS of $2.89, which excludes $0.66 earnings per share related to tax reform and MTM hedging, represents the eleventh consecutive year of record earnings.

Growth Rates	Reported Earnings	Adjusted Earnings
5-year Growth Rate	12.3%	7.7%
10-year Growth Rate	10.7%	8.4%

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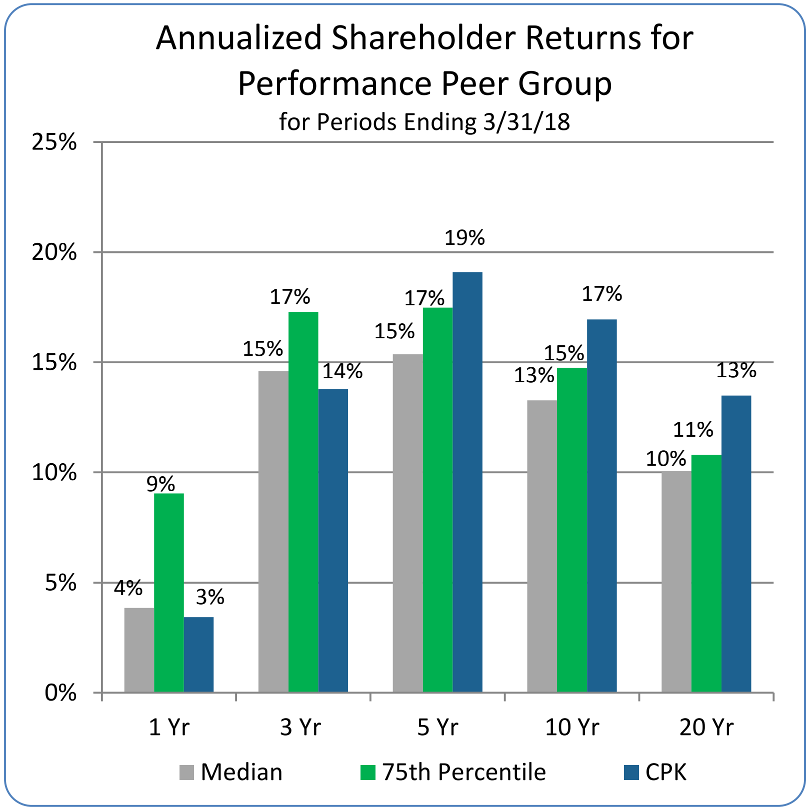
CHESAPEAKE UTILITIES CORPORATION

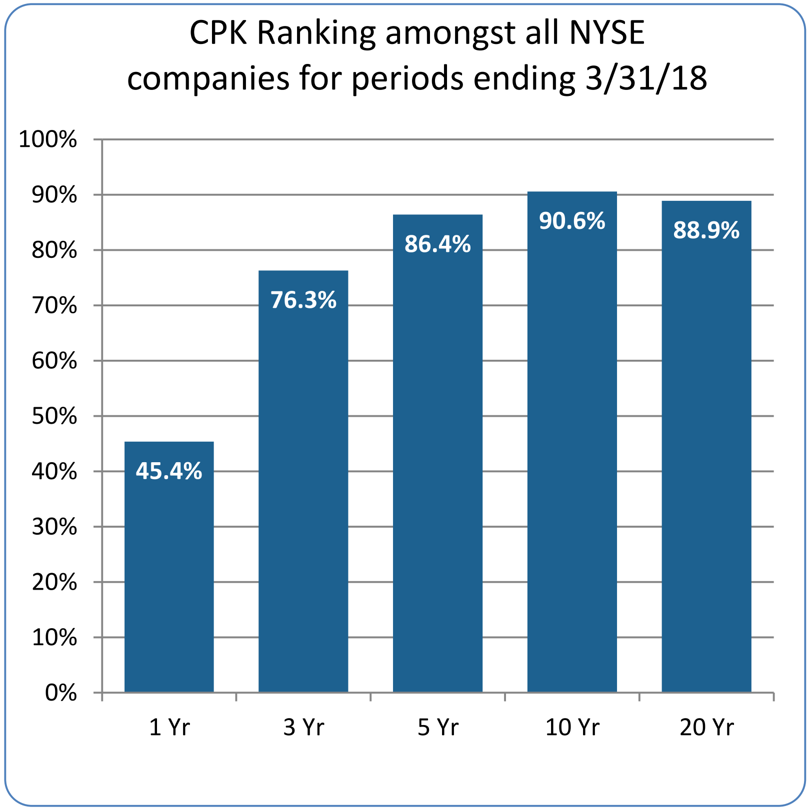
TOP WORK PLACES

Shareholder Return

Comparison to Broader Market – NYSE Companies

- Chesapeake's compound annual return has exceeded 13.5% for the past 3, 5, 10 and 20 years (through March 31, 2018).
- Total return relative to the broad market has been in the top quartile of all NYSE companies for the 3, 5, 10 and 20 years ended March 31, 2018.





Driven by Our Strategy, Energized by Our Employees

Engagement Strategies and Strategic Planning & Thinking Process

ENGAGEMENT STRATEGIES

Energized Employees

Our employees energize the Company and our growth. The results of our most recent Top Workplace survey showed that our employee engagement level is twice that of the average U.S. workplaces.

Our Culture

Guided by our brand, our employees' shared values drive our strategy, and their commitment is key to our success. We continue to invest in our people through training and programs that reinforce our culture and shared values.

Energizing Growth

The energy and heart that our employees demonstrate in executing our strategy are what helps the Company turn aspirations into reality, year after year. Their efforts have results in the disciplined expansion of our service area and capacity across the Company.

Celebrating Our Accolades

For the **sixth consecutive year** in 2017, Chesapeake Utilities Corporation was recognized as a **Top Workplace in Delaware**.

STRATEGIC PLANNING & THINKING PROCESS

Aggressive Growth Targets

Our Strategic Planning process requires that we set aggressive growth targets. These targets are deliberately set high enough to challenge us to think differently.

All Business Units & Corporate Involved

We involve ALL of our business units and corporate departments in our strategic planning process to identify and develop new growth opportunities in a five-year plan.

Market Focused & Continuous Adjustment

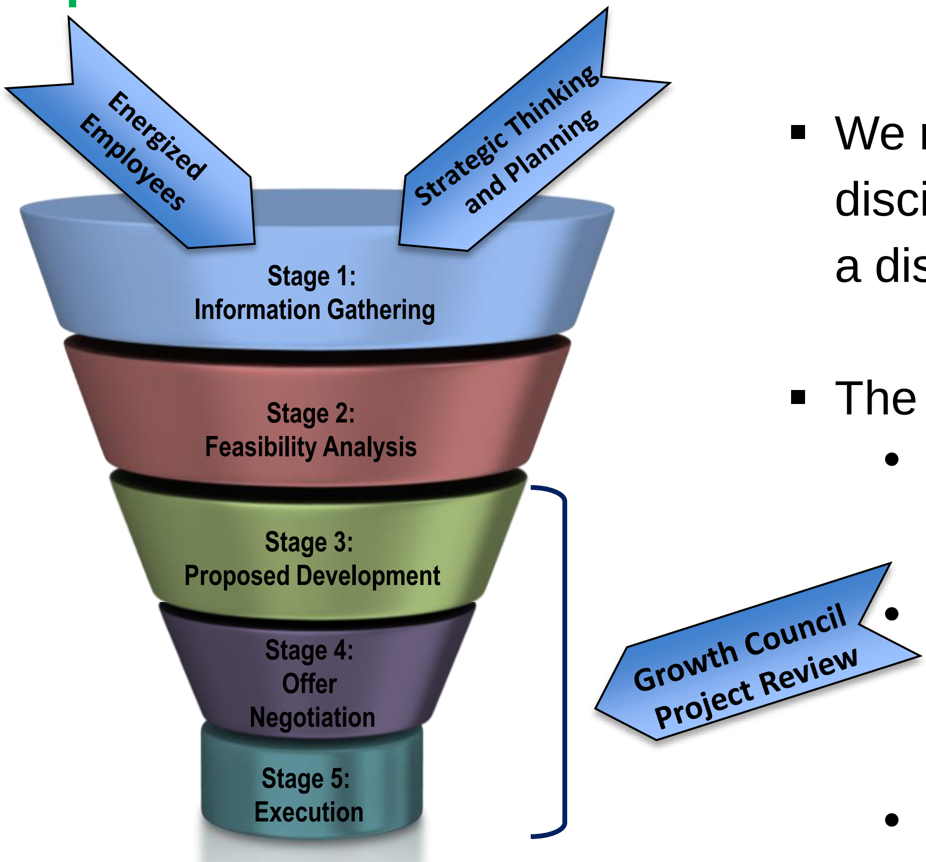
Our Strategic Plan is updated every year to reflect changes in market conditions or more often if the market dictates.

Sustain Long Term Growth

This concerted effort produces a dynamic plan that challenges all of us to focus on investment opportunities that can sustain the growth required to achieve our aggressive growth targets over the long term.

Strategic Plan Execution

Disciplined Growth Process to Generate Increased Shareholder Value



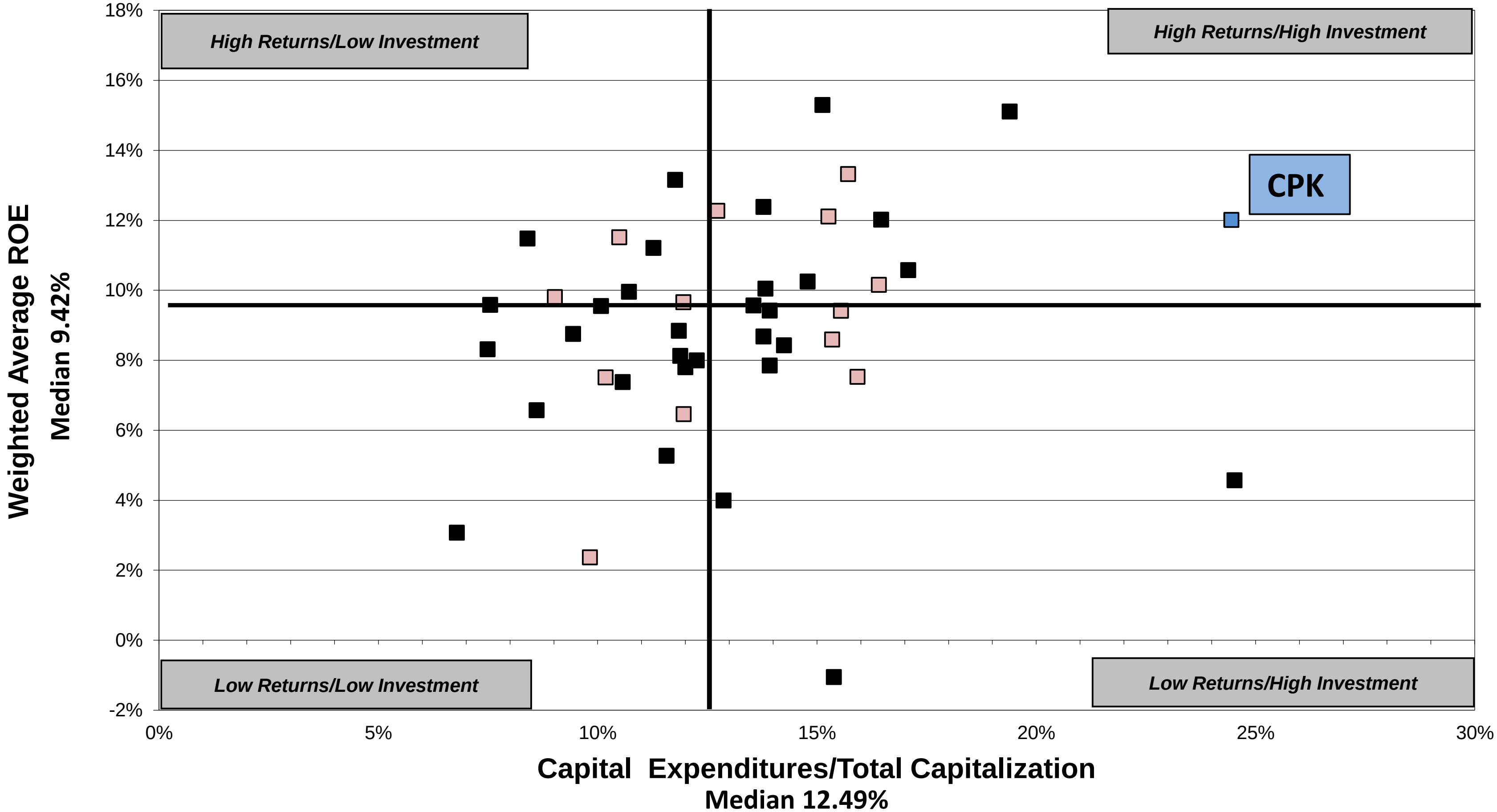
We continue our relentless efforts to drive shareholder value by focusing on long-term, sustainable growth opportunities.

- We remain both aggressive and disciplined in our quest for growth through a disciplined Growth Council process.
- The Growth Council:
  - Consists of executives with operations, engineering, business development, regulatory, financial and legal backgrounds.
  - Evaluates and develops large strategically significant projects based on strategic fit, the cost and benefits and the risks associated with each project.
  - Ensures sound resource allocation decisions.
  - Reviews the capital deployment process.
  - Ensures successful completion and integration into the Chesapeake portfolio.

Performance Quadrant

Peer ROE vs. Capital Expenditures
2015 – 2017 (1/1/15 – 12/31/17)

	Cap Ex	ROE
CPK	24.45%	12.01%
Median	12.49%	9.42%
75th Percentile	15.16%	10.74%



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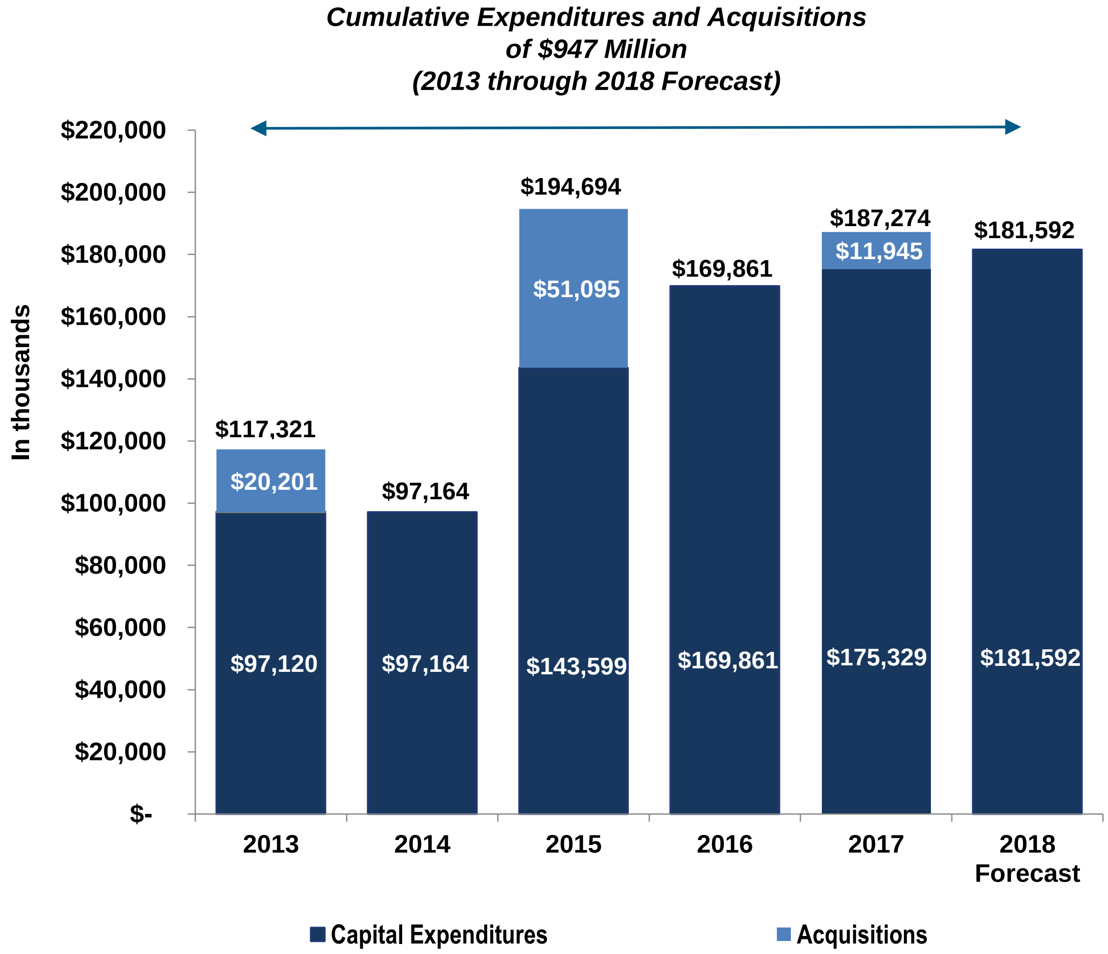
TOP WORK PLACES

Continuing to Build for the Future

Capital Expenditures



The investments we have made over the last five years have doubled our Total Capitalization.

$ thousands	2018 Forecasted Capital Expenditures
$92,562	Natural Gas Transmission
61,871	Natural Gas and Electric Distribution
17,062	Unregulated Energy
10,097	Corporate / Other
$181,592	Total Forecasted Capital Expenditures

Growth Initiatives

Projects Currently Underway

Delmarva

- Construction of the 2017 Eastern Shore Natural Gas Expansion project to provide 60,000 Dts/d of additional firm natural gas transportation services – 25% capacity increase.
- Ocean City, MD, bay crossing completed; conversions are underway and will continue to convert Sandpiper Energy customers to natural gas.
- Smaller expansions to serve new developments in eastern Sussex County, DE, and to convert other developments to natural gas (Community gas conversion strategy).
- Completed new centralized Operations Center for Delmarva Natural Gas distribution unit and Eastern Shore Natural Gas in Dover, DE; employees are in the process of relocating to facility.

Florida

- Construction of Northwest Florida Expansion Project to serve Pensacola area with natural gas.
- New Smyrna and Belvedere pipeline expansions to increase natural gas availability.
- Continued investment in the Florida Gas Reliability Infrastructure System.

Unregulated

- PESCO growth in aggregating supply, originating demand and optimizing the asset portfolio
- Sharp Energy growth includes organic growth, geographic expansion, and Sharp AutoGas; partnering with suppliers to serve customers outside of Sharp's service territories.
- Aspire Energy supply growth in the Appalachian basin, and demand growth for natural gas fired power generation.

Major Projects and Initiatives

Key Sources of Margin Growth

(in thousands)	Gross Margin for the Period: Quarter Ended March 31, 2017	Quarter Ended March 31, 2018	Fiscal 2017	Fiscal 2018 Estimate	Fiscal 2019 Estimate
Florida GRIP	$ 3,267	$ 3,565	$ 13,454	$ 14,287	$ 14,370
Eastern Shore Rate Case/ Settled Rates	-	2,843	3,693	9,800	9,800
Florida Electric Reliability/Modernization Program	-	372	94	1,558	1,558
New Smyrna Beach, Florida Project	-	352	235	1,409	1,409
2017 Eastern Shore System Expansion Project	-	1,040	433	7,446	15,799
Northwest Florida Expansion Project	-	-	-	3,484	6,032
(Palm Beach County) Belvedere, Florida Project	-	-	-	635	1,131
Total	$ 3,267	$ 8,172	$ 17,909	$ 38,619	$ 50,099

$4,905

$20,710

$11,480

2018 – 2019 Increase versus 2017: $32,190

Eastern Shore Natural Gas
2017 System Expansion Project

EASTERN SHORE NATURAL GAS

$117M+ Project

The 2017 Expansion Project, the single largest expansion in ESNG's history

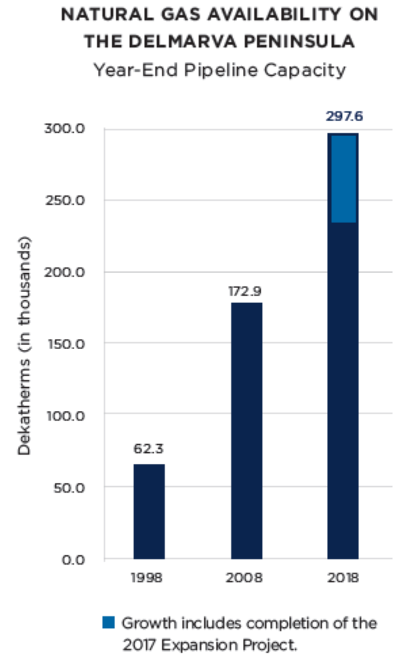
More than $117 million is being invested in ESNG's natural gas interstate pipeline system in order to provide more than 60,000 dekatherms per day of additional firm natural gas service to meet the growing energy needs of the Mid-Atlantic region.

23 miles Of pipeline looping in PA, MD and DE

17 miles Of mainline extension

3,750 HP Of new compression

25% More capacity



Total Capital Investment	$117,000,000
Spending to Date as of March 31, 2018	$52,000,000
Forecasted Remaining Spending	$65,000,000
In-Service to Date	TETCO Upgrade Construction Completed
Final In-Service Date	Staged Through Remainder of 2018
Estimated Total Annual Margin	$15,800,000

Florida Natural Gas Projects

Northwest Pipeline Expansion

- **$6.0M estimated annual gross margin**
- **In service end of 2Q2018**
- **Northwest transmission (38 miles) and distribution (5 miles) pipeline**
- **Customer Commitments of 68,500 dts/d, with total capacity of 80,000 dts/d**

Through this project, three of our businesses – Peninsula Pipeline, FPU and Chesapeake Utilities' Florida Division – are working together to provide additional transportation and delivery services to municipal utilities and industrial customers that will increase the Company's footprint in northwest Florida.

Natural gas gates constructed to provide service from Alabama / Florida state line to Pensacola region

Florida Natural Gas Projects

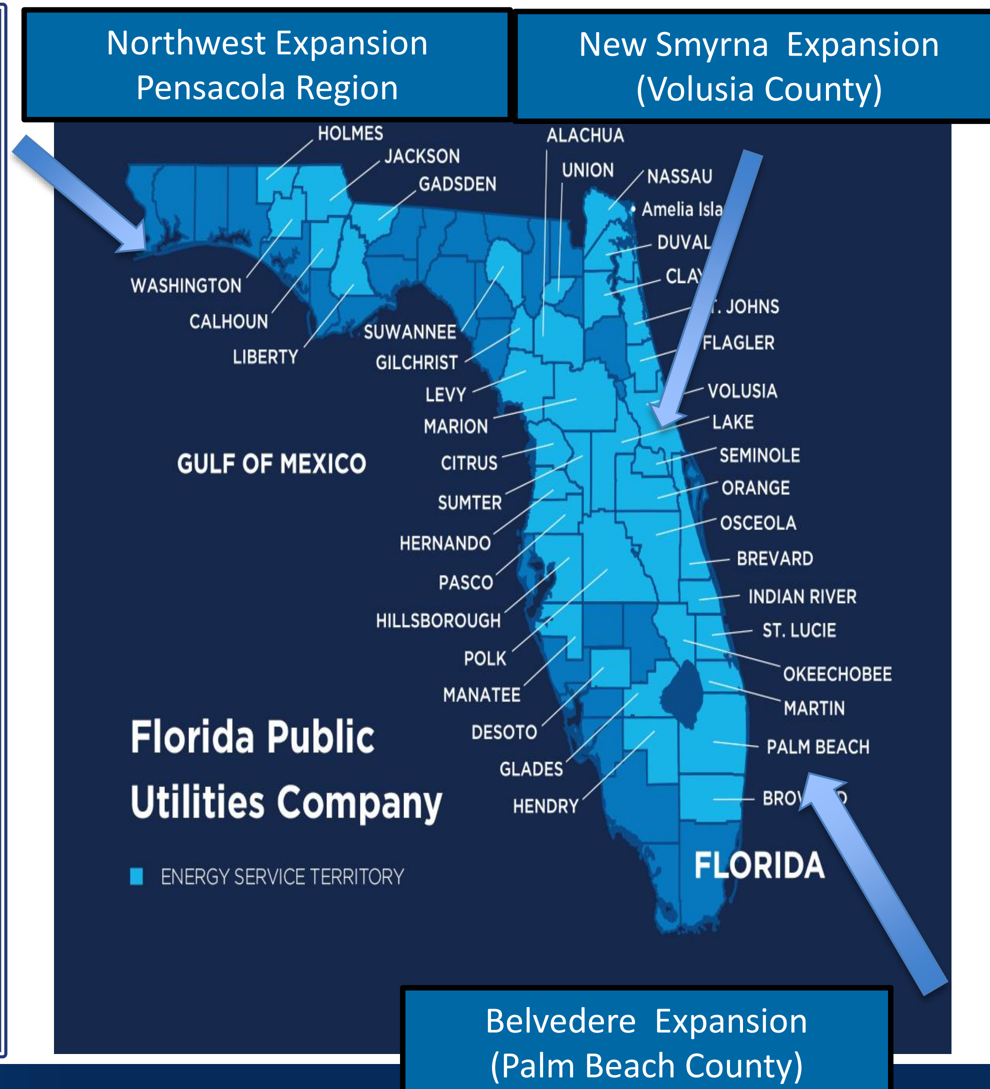
Other Florida Pipeline Expansions

<u>New Smyrna Pipeline Expansion:</u>

- **$9.1M capital investment**
- **$1.4M estimated annual gross margin**
- **Fully in service September 2018**
- **Transmission pipeline (14 miles)**

<u>Belvedere Pipeline Expansion:</u>

- **$3.8M Capital Investment**
- **$1.1M Estimated Annual Gross Margin**
- **In service end of 3Q2018**
- **Transmission pipeline (2 miles)**



Unregulated Energy
Key Initiatives

Sharp Energy:

- Retail customer growth through organic geographic expansion
- Expand propane as a transportation fuel (Sharp AutoGas) to increase sales volumes
- Continuing residential growth through Community Gas Systems

Aspire Energy:

- Expand our pipeline capabilities to provide a stable gas supply allowing Consumers Gas Cooperative and LDC's to expand their customer bases and service areas
- Identify and build new pipelines in the Marcellus and Utica production areas to serve midstream and downstream markets

PESCO Energy:

- Continue to grow our regional business by aggregating supply, originating new markets, and optimizing assets to create margin opportunities

Eight Flags Energy:

- Continue to seek opportunities to serve customers' needs for generated steam and power needs throughout the Southeast

Propane Operations
Sharp Energy and Flo-Gas

(in thousands)	Gross Margin Qtr. 3/31/18
Propane delivery operations - additional customer consumption related to weather *	1,956
Propane delivery operations - increased margin driven by growth and other factors	1,392
Growth in wholesale propane margins and sales	379
Quarter over quarter increase in gross margin	**$ 3,727**

** Still warmer weather than normal*

- We continue to execute our multi-pronged growth strategy:
  - Organic growth in existing markets
  - Expanded growth in new territories beyond our geographic footprint via start-ups
  - Acquisition opportunities that roll into existing operations
  - Targeted marketing to commercial and industrial users to convert to propane and expand our customer base
  - Targeting new community gas systems in high growth areas
  - Expansion of propane vehicular platform through Sharp AutoGas, where propane is a clean-burning fuel alternative
- Our propane business units provide a higher return on capital than regulated allowed returns

- **Sharp Energy** distributes propane to approximately 38,000 customers in Delaware, Maryland and the Eastern Shore of Virginia, and southeastern Pennsylvania.
- **Flo-Gas** distributes propane to approximately 16,500 customers in Florida.
- **Sharp AutoGas** fuels over 800 independent customer vehicles at 42 fueling stations in Delaware, Maryland, and Pennsylvania.
- Propane storage capacity is in excess of 6 million gallons; more than any other propane provider on the Delmarva Peninsula.

Aspire Energy of Ohio

Aspire Energy - Quarter Ended March 31, 2018

(in thousands)	Margin Impact
Higher customer consumption related to weather	$ 941
Increased margin driven by growth and other factors	319
Quarter over quarter increase in gross margin	**$ 1,260**

Key Earnings Drivers

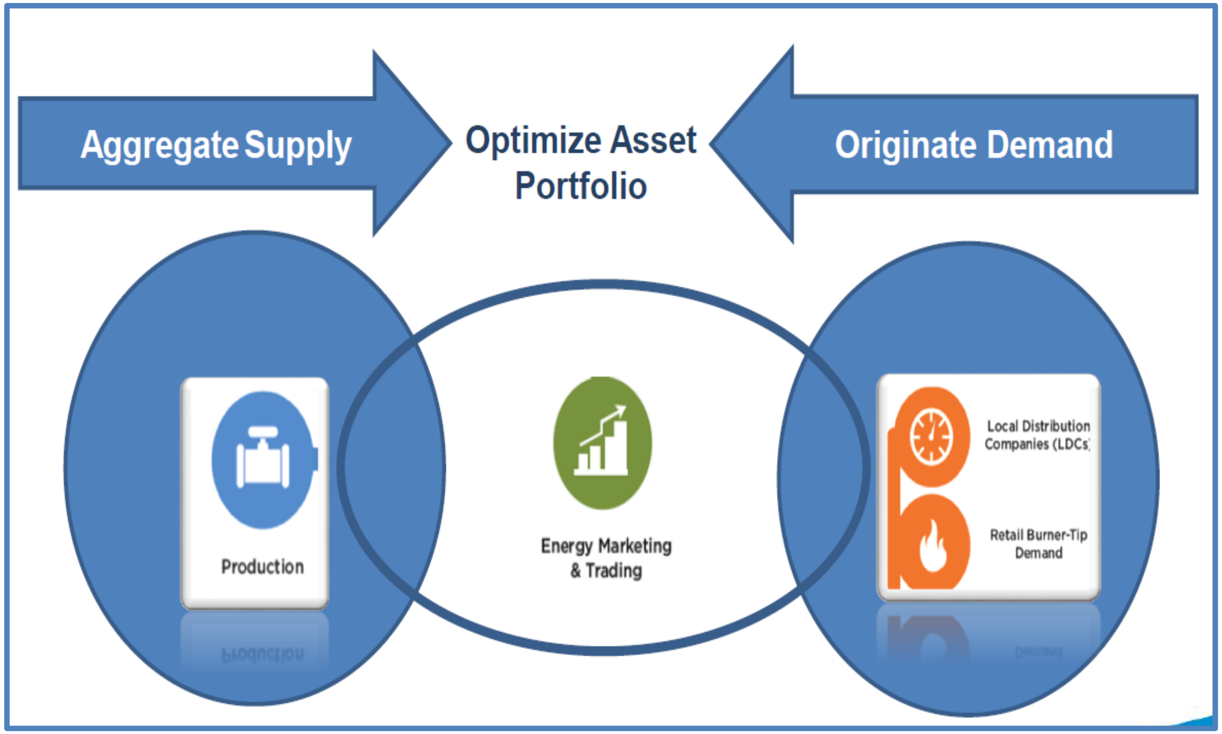
- Customer Base - delivering gas to Community Gas Cooperative and Columbia of Ohio represents approximately 90% of Aspire Energy's gross margin.
- Weather – natural gas sales are affected by variations in winter weather. Natural gas volumes used when drying grain are affected by variations in precipitation levels and grain variety during the late summer months.
- Suitable Rates & Fees – rates and fees need to be monitored and adjusted to maintain desired rates of return on our investments. Rates and fees must be competitive compared with other natural gas providers and other fuels.
- Commodity Pricing – pricing impacts margins for NGL's specifically. Prolonged low gas commodity pricing impacts level of drilling and potential gathering services.
- Growth – grow our customer base through diversification and additional product lines. Utilize access to capital to increase footprint and gathered gas volumes.

PESCO Natural Gas Marketing

Natural Gas Supply Services, Gross Margin and Risk Management

Three Months Ended March 31, 2018

(in thousands)		Margin Impact
PESCO First Quarter 2017 Margin	$	3,467
Reversal of fourth quarter 2017 unrealized MTM loss		5,713
Margin from 2017 customer Supply Agreement that was not renewed		(2,124)
Net impact for the Mid-Atlantic wholesale portfolio from extraordinary costs associated with the 2018 Bomb Cyclone		(3,284)
Loss for the Mid-Atlantic retail portfolio caused by capacity constraints in January and warm weather in February		(2,261)
Other		(336)
PESCO First Quarter 2018 Margin	**$**	**1,175**



We continue to enhance our Risk Management

- **Reassessed peak day demand analysis and stress tested under more extreme weather events**
- **Modified capacity management and operational plans**
- **Secured firm transportation and/or delivered dekatherms to mitigate interstate pipeline operational constraints**
- **Actions taken improved February and March results and better positioned us for the remainder of 2018**
- **Enhancements to Risk Management Policy**

FINANCIAL RESULTS

Year-to-Date

March 31, 2018

CHESAPEAKE UTILITIES CORPORATION

TOP WORK PLACES

Energized for Growth
2018 First Quarter Highlights

- GAAP earnings per share increased $0.47 to $1.64 for first quarter 2018 compared to $1.17 for first quarter 2017
- 40 percent increase in 1st Quarter earnings – most profitable quarter in Chesapeake's history
- Continued growth across business units led by Propane, ESNG, Natural Gas and Electric Distribution and Aspire Energy
- Board of Directors declared 13.8 percent dividend increase reflecting strong growth and lower income tax rate
- Regulated businesses reserved $3.2 million in estimated refunds for customers due to lower tax rates
- Eastern Shore and Florida Expansion Projects under construction

Key drivers of the EPS increase in first quarter 2018 included:	Earnings per Share
• Regulated Distribution and Transmission (growth/ESNG rate settlement)	+ $0.28
• Growth: $0.15; ESNG settled rates: $0.13	
• Propane and Aspire Energy	+ $0.17
• Growth: $0.07; Net impact of lower tax rate: $0.10	
• Colder weather (although still warmer than normal - $1.7 M, or $0.07/share)	+ $0.17
• Lower contribution from PESCO (weather conditions/gas supply/absence of 1Q 2017 contract)	- $0.10
• Higher depreciation, operating expenses and interest (to support growth)	- $0.09

2018 First Quarter Operating Results

Higher Gross Margin and Operating Income

Regulated Energy Segment

(in thousands)	March 31, 2018	March 31, 2017	Change	Percent Change
Gross margin excluding the TCJA impact	**$ 64,317**	$ 57,410	$ 6,907	12.0 %
Impact of the TCJA reserves for customer refunds	**(3,155)**	—	(3,155)	N/A
Gross margin	**61,162**	57,410	3,752	6.5 %
Depreciation, amortization and property taxes	**11,156**	10,190	966	9.5 %
Other operating expenses	**23,295**	23,825	(530)	(2.2)%
Operating income	**$ 26,711**	$ 23,395	$ 3,316	14.2 %

Unregulated Energy Segment

(in thousands)	March 31, 2018	March 31, 2017	Change	Percent Change
Gross margin	**$ 30,301**	$ 26,819	$ 3,482	13.0%
Depreciation, amortization and property taxes	**2,505**	2,250	255	11.3%
Other operating expenses	**14,112**	12,994	1,118	8.6%
Operating income	**$ 13,684**	$ 11,575	$ 2,109	18.2%

Reconciliation of Year to Date Results

Key variances for the three months ended March 31, 2018 vs. 2017 included:

(in thousands except per share data)	Pre-Tax Income	Net Income	Diluted Earnings Per Share
First Quarter ended March 31, 2017 Reported Results	$ 31,660	$ 19,144	$ 1.17
Increased (Decreased) Gross Margins:			
Colder weather	$ 3,914	$ 2,855	$ 0.17
Pass through of lower tax rate for regulated businesses	(3,155)	(2,302)	$ (0.14)
Regulated Distribution & Transmission Growth	6,086	4,440	$ 0.28
Aspire Energy / Propane - customer / margin growth	1,682	1,227	$ 0.07
PESCO natural gas marketing	(2,292)	(1,672)	$ (0.10)
	6,235	4,548	$ 0.28
Increased Other Operating Expenses	(931)	(679)	$ (0.04)
Income taxes - TCJA impact - decreased effective tax rate	-	4,594	$ 0.28
Interest Charges and Net Other Changes	(154)	(752)	$ (0.05)
First Quarter ended March 31, 2018 Reported Results	$ 36,810	$ 26,855	$ 1.64

Key Variances:

- **CPK earnings capacity with colder weather**
  - **$3.9M margin increase compared to Q1-2017**
  - **$1.7M additional margin if normal weather**
- **TCJA – lower Federal income tax rate**
  - **pass through of lower taxes to regulated customers ($3.2 million reserved in Q1-2018)**
  - **$1.6 million in higher unregulated net income**
- **Regulated Energy Segment Growth:**
  - **Natural gas expansions and customer growth**
  - **Implementation of ESNG settled rates**
  - **Florida GRIP and Electric Reliability/Modernization program**
- **Unregulated Energy Segment Growth:**
  - **Increase in customers, consumption, service offerings and margins from Florida and Delmarva propane operations and Aspire Energy**
  - **Increased wholesale propane margins**
- **PESCO margin decrease of $2.3M reflects:**
  - **Absence of supply contract in Q1 2017**
  - **Unusually high gas costs to serve customers in January**
  - **Offset by reversal of Q4-2017 MTM loss and improved margins during February and March**
- **Higher operating expenses and interest charges reflect costs to support and finance growth**

First Quarter 2018 Adjusted Earnings Overview

Significant Item Impacting Earnings

Results for the first quarter of 2018 were impacted by the following significant item:

For the quarter ended March 31, 2018	**Net Income**		**EPS**	
(in thousands, except per share data)				
Reported (GAAP) Earnings	**$**	**26,855**	$	1.64
Less: Realized Mark-to-Market ("MTM") gain		(4,008)		(0.24)
Adjusted (Non -GAAP) Earnings*	**$**	**22,847**	**$**	**1.40**

- **First Quarter 2018 reported EPS of $1.64 per share**
- ***First Quarter 2018 adjusted EPS of $1.40 per share:**
  - **$0.24 per share mark-to-market ("MTM") associated with unrealized loss on hedges in the natural gas marketing business in the fourth quarter of 2017 (that reversed in the first quarter of 2018)**
- **Affirm previous year end guidance for forecasted earnings per share growth of 17% plus in 2018 including tax reform and key projects (based upon 2017 Adjusted EPS)**

TCJA Impact on Regulated Entities

Tax Reform Discussions with Regulatory Authorities

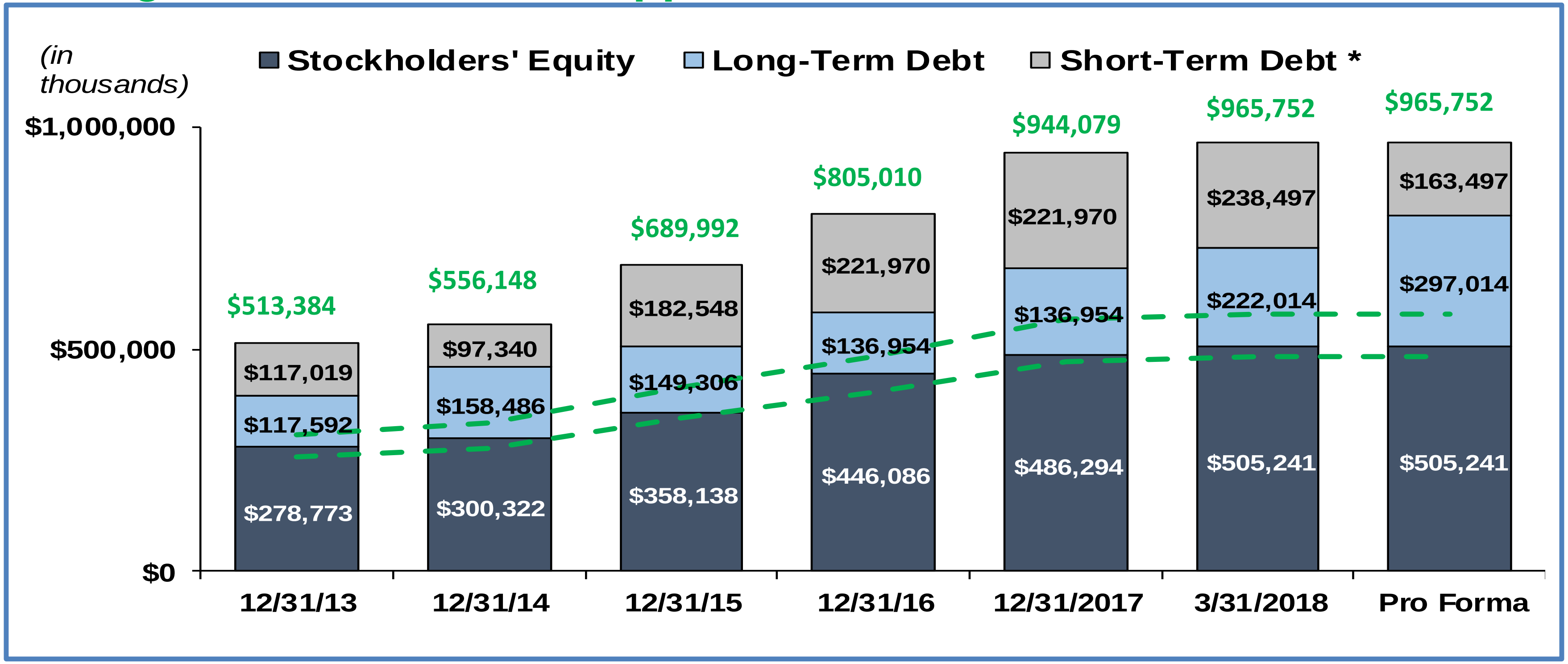
Florida **$1.4M Reserve**	• FPU electric included tax reform in its 2017 limited proceeding settlement with the impact of the tax rate reduction to be reflected in customer rates. • Dockets have been opened by the PSC related to gas operations; but no hearing dates have been set at this time. • FPU regulatory team is preparing proposals related to tax reform regulatory liabilities.
Delaware **$387K Reserve**	• PSC issued an order requiring each regulated utility to file an application no later than 3/31/18 addressing the impacts of tax reform, and providing new rate schedules that may be appropriate. • On March 30, the Company filed its estimated impact of the TCJA with proposed rate schedules.
Maryland **$475K Reserve**	• PSC issued an order directing utilities to track the tax rate reduction impact beginning 1/1/18 and apply regulatory accounting treatment including regulatory liabilities impacted by tax reform. The impact of the lower tax rate is expected to be flowed back to retail customers. • On April 25, 2018 the PSC issued an order to implement a one-time bill credit to refund the impacts of the TCJA for the months January through April; and to implement new rates effective May 1, 2018 that reflect the impacts of the TCJA.
FERC **$900K Reserve**	• Impact of tax reform was anticipated in the settlement agreement between ESNG and FERC. • Settlement rates are established to reflect the change in the Federal corporate income tax rate.

$3.155M ***Total Estimated Refunds/Reserves for Regulated Entities***

Total Capitalization

Significant Growth in Book Capitalization and Strong Balance Sheet to Support Future Growth

Target Equity to Total Capitalization Ratio of 50% - 60%

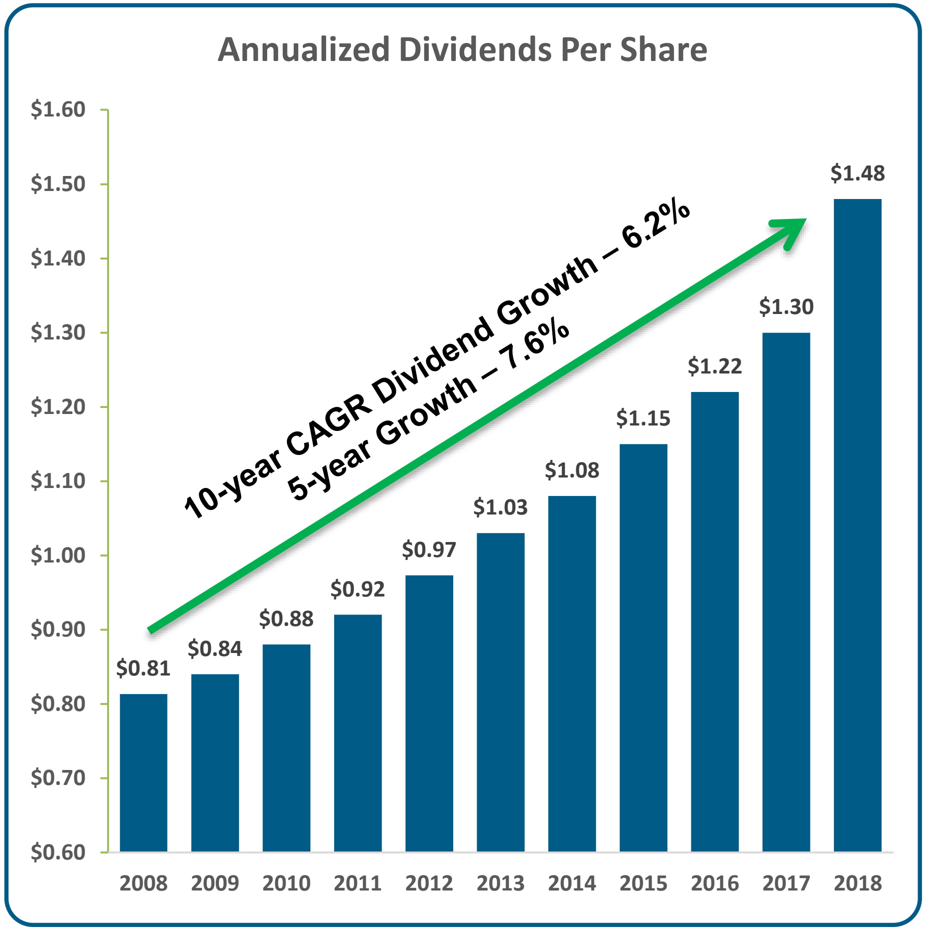


	12/31/13	12/31/14	12/31/15	12/31/16	12/31/2017	3/31/2018	Pro Forma
Equity/Permanent Capitalization	70.3%	65.5%	70.6%	76.5%	71.1%	69.5%	63.0%
Equity/Total Capitalization	54.3%	54.0%	51.9%	55.4%	51.5%	52.3%	52.3%

- *Short-Term Debt includes Current Portion of Long-Term Debt*
- *Pro Forma Long-term Debt includes $50 million private placement funding in both May 15 and November 15, 2018 at an average rate of 3.53%*

Dividend Growth Continues

Fifteen Years of Above Average Dividend Growth



- The $1.48 annualized dividend per share in 2018 is a result of the positive energy of our team's track record in delivering superior earnings growth.
- This year's annualized increase of $0.18 per share, or 13.8 percent, also reflects the positive impact of the Tax Cuts and Job Act on earnings from our unregulated businesses.
- Chesapeake's five-year annualized dividend growth rate is 7.6 percent – in line with our five-year CAGR in adjusted earnings through 2017 of 7.7 percent.
- Our goal remains to be to provide above average growth in dividends, supported by our engaged team, continued disciplined approach to investment opportunities and the resulting strong earnings per share growth.

CPK's five-year dividend growth of 7.6% leads our peer group dividend growth metric based on the most recent annualized dividend increases

Investment Highlights

An Energized Investment Propositioned on Sustaining Long-term Growth

Diversified Asset Base

- Utility foundation with upside from complementary unregulated energy platform
- Natural gas and electric distribution businesses serving approximately 186,000 utility customers
- Sizable presence in both the Mid-Atlantic and Florida markets
- 79% of investment in regulated energy and 21% of investment in unregulated energy as of 12/31/2017

Strong Financial Performance & Consistent Track Record

- Top quartile shareholder returns for 1, 3, 5, 10, and 20 year periods as of 12/31/2017 (both compared to peers and the broader market/NYSE)
- 11 consecutive years of EPS growth; 7.7% five-year annual compound adjusted EPS growth thru 2017
- Consistently generated ROEs that exceed the median peer group ROE over the last 10 years
- 14 consecutive years of dividend growth; 57 consecutive years of dividends
- 13.8% annualized one-year dividend growth rate; 7.6% five-year annualized dividend growth rate

Balance Sheet that Supports Growth

- Strong balance sheet with equity to total capitalization target of 50% - 60%
- Total assets of $1.4 billion with approximately $1.1 billion of those assets representing net plant
- High investment-grade credit ratings (NAIC1) with ample liquidity to support growth
- Recently funded 20-year long-tem debt placement of $50 million at competitive pricing; with $50 million commitment to be funded by end of the year

Future Earnings Growth Opportunities

- Capital Expenditure forecast in excess of $180 million for 2018
- Projects to be completed in 2018 that will generate additional earnings growth in 2018 and beyond
- Continuing to pursue and develop new growth opportunities and regulatory strategies that build on our core businesses
- Engagement of our employees in the strategic planning process and continued pursuit of our strategies for sustainable future growth

Thank You

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Appendix

CHESAPEAKE UTILITIES CORPORATION

Business Structure

Regulated Energy

NATURAL GAS DISTRIBUTION

<u>Delaware</u>

Chesapeake – Delaware Division

<u>Maryland</u>

Chesapeake – Maryland Division

Sandpiper Energy

<u>Florida</u>

Chesapeake – Florida Division (CFG)

Florida Public Utilities Company (FPU)

FPU – Indiantown Division

FPU – Fort Meade Division

NATURAL GAS TRANSMISSION

Eastern Shore Natural Gas – Interstate Pipeline

Peninsula Pipeline – Florida Intrastate Pipeline

ELECTRIC DISTRIBUTION

FPU

Unregulated Energy

PROPANE DISTRIBUTION

<u>Delmarva Peninsula and Pennsylvania</u>

Sharp/Sharpgas/Sharp AutoGas

<u>Florida</u>

FPU/Flo-gas

NATURAL GAS MARKETING

PESCO

Natural Gas Gathering, Processing, Marketing and Supply

Aspire Energy of Ohio

Combined Heat and Power Plant (CHP)

Eight Flags

Chesapeake's Existing Service Areas

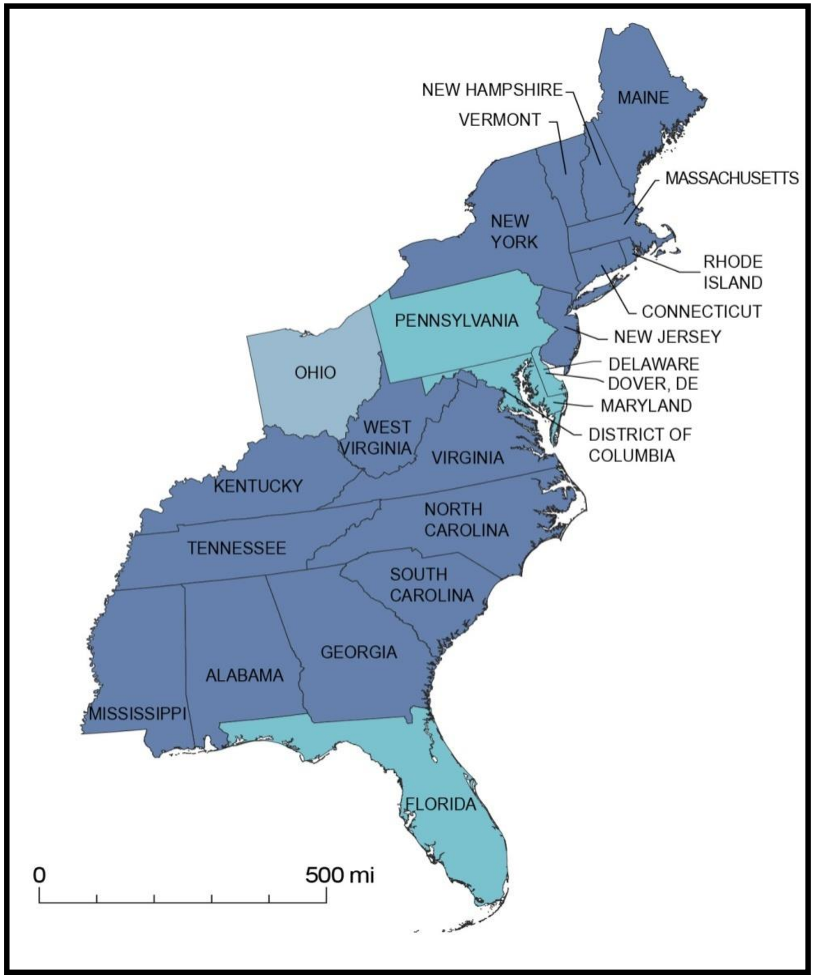
Delaware and Maryland
Natural Gas Transmission, Distribution and Marketing
Propane Distribution, Sharp AutoGas

Virginia
Propane Distribution

Pennsylvania
Natural Gas Transmission and Marketing
Propane Distribution, Sharp AutoGas

Florida
Natural Gas Transmission, Distribution and Marketing
Electricity Distribution
Combined Heat and Power Plant
Propane Distribution, Sharp AutoGas

Ohio
Natural Gas Marketing, Natural Gas Gathering,
Liquids Processing and Supply Distribution



Regulated Energy – Delmarva Transmission

EASTERN SHORE NATURAL GAS

- **Eastern Shore Natural Gas Company (“ESNG”)** owns and operates a 457-mile interstate pipeline that transports natural gas from various points in Pennsylvania to customers in Delaware, Maryland and Pennsylvania.
- Recent extensions through Cecil County, Maryland, and through southeastern Sussex County, Delaware, and into Worcester County, Maryland, are providing opportunities for growth.

Regulated Energy – Delmarva Distribution

CHESAPEAKE UTILITIES

- **Chesapeake Utilities** distributes natural gas to approximately 65,000 residential and commercial customers in Delaware and Maryland.
- In Delaware, Chesapeake continues to expand its system in southeast Sussex County.
- In Maryland, Chesapeake continues to expand its system in Cecil County.

SANDPIPER ENERGY

- In Maryland, Chesapeake's **Sandpiper Energy** business unit distributes propane and natural gas to approximately 11,000 customers in Worcester County.
- Sandpiper continues to extend its distribution mains, recently introducing natural gas service into Ocean City, Maryland.

energized

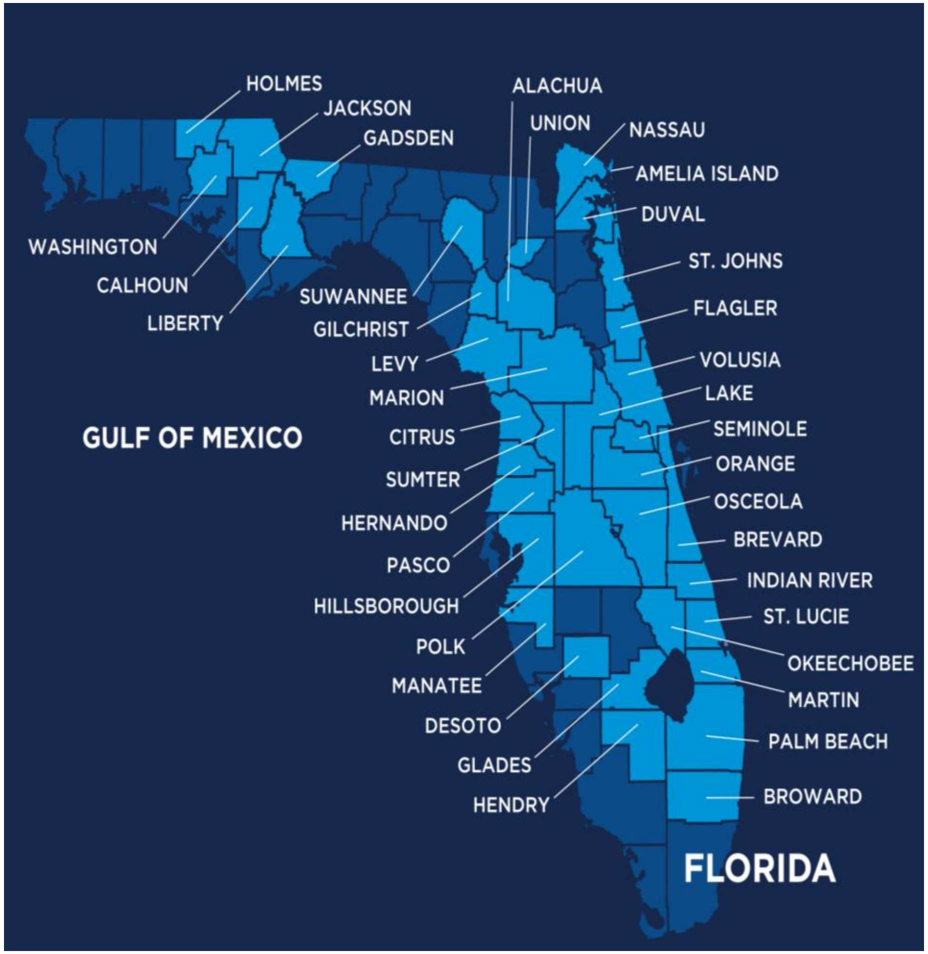
CHESAPEAKE UTILITIES CORPORATION

TOP WORK PLACES

Regulated & Unregulated Energy - Florida

FLORIDA PUBLIC UTILITIES

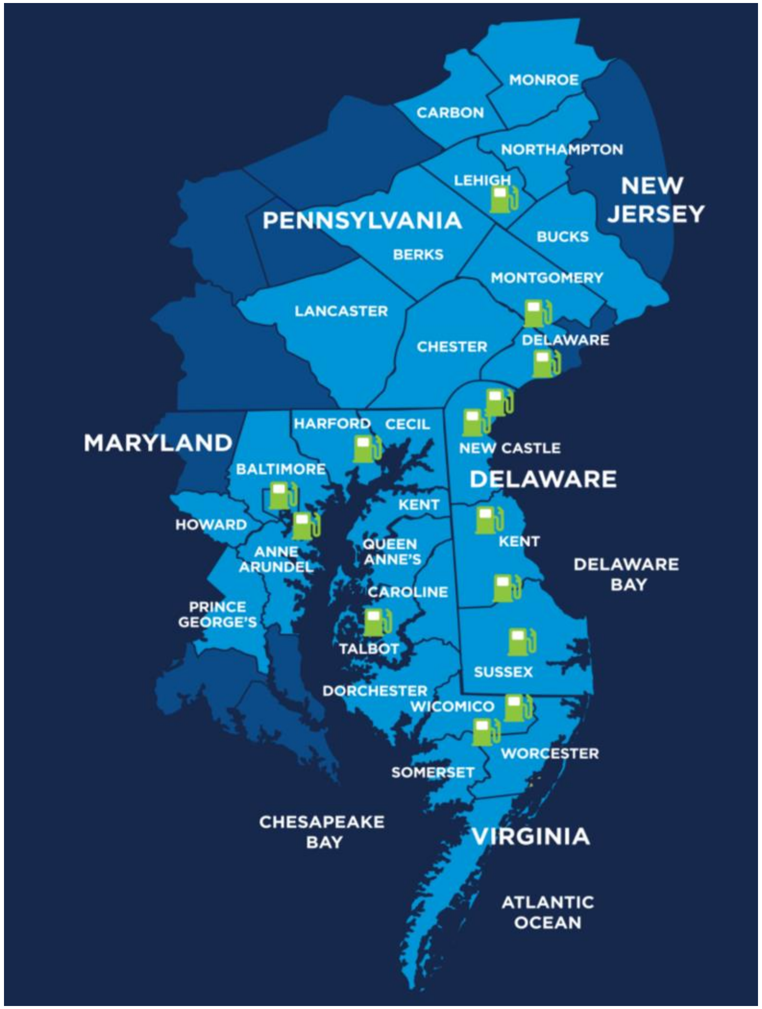
- **Florida Public Utilities** distributes natural gas to approximately 79,000 residential and commercial customers and electricity to 32,000 customers across Florida.
- **Peninsula Pipeline Company, Inc.** provides natural gas transmission services in Florida.
- **Florida Public Utilities'** propane distribution subsidiary provides service to approximately 17,000 customers in various areas of Florida.
- **Eight Flags Energy** combined heat and power plant (CHP) on Amelia Island produces steam which is sold to Rayonier and 20 MW of electricity which is sold to FPU's electric division.



Unregulated Energy – Sharp Energy

SHARP ENERGY

- **Sharp Energy** distributes propane to 38,000 customers in Delaware, Eastern Shore of Maryland and Virginia, and southeastern Pennsylvania.
- Our propane operations have grown organically through our Community Gas Systems ("CGS") strategy, and our recent expansions of service into Cecil County, Maryland and eleven counties in Pennsylvania.
- Sharp AutoGas fuels over 800 vehicles at 42 propane fueling stations in Delaware, Maryland and Pennsylvania.



Unregulated Energy – Aspire Energy

ASPIRE ENERGY

- **Aspire Energy** of Ohio is an unregulated natural gas infrastructure company with over 2,600 miles of pipeline systems in 40 counties throughout Ohio.
- Aspire Energy provides natural gas supplies to various local gas cooperatives and local distribution companies.
- Aspire Energy primarily sources gas from 300 conventional producers and provides gathering and processing services necessary to maintain quality and reliability to wholesale markets.

Unregulated Energy - PESCO

Provides energy marketing services in three geographic regions: Southeast, Mid-Atlantic and Mid-West Basin.

Provides natural gas supply and related management services to commercial industrial and wholesale customers.

Transacts on more than 10 transmission pipelines and over 15 local distribution companies in eight states.

Serving three geographic regions: Southeast, Mid-Atlantic and Midwest Basin

Demand Origination	Supply Aggregation	Optimization
• Expanding our downstream business on LDC's served by core pipelines on which we have deep experience	• Purchasing physical production in upstream geographies that enable wholesale liquidity and competitive supplies	• Utilizing storage, firm transportation and other assets to capture the margin generated by our Demand Origination and Supply Aggregation efforts

Regulatory Snapshot

	Chesapeake Utilities - Delaware Division	Chesapeake Utilities - Florida Division	FPU Natural Gas	FPU Electric	Chesapeake Utilities - Maryland Division	Eastern Shore	Sandpiper
Regulatory Agency:	**Delaware PSC**	**Florida PSC**	**Florida PSC**	**Florida PSC**	**Maryland PSC**	**FERC**	**Maryland PSC**
Commission Structure:	5 commissioners	5 commissioners	5 commissioners	5 commissioners	5 commissioners	5 commissioners	5 commissioners
	Part-Time	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time
	Gubernatorial Appointment	Gubernatorial Appointment	Gubernatorial Appointment	Gubernatorial Appointment	Gubernatorial Appointment	Presidential Appointment	Gubernatorial Appointment
Base Rate Proceeding:							
Delay in collection of rates subsequent to filing application	60 days	90 days	90 days	90 days	180 days	Up to 180 days	180 days
Application date associated with the most recent permanent rates	12/21/2015	07/14/2009	12/17/2008	07/03/2017	05/01/2006	1/27/2017	12/02/2015
Effective date of permanent rates	01/01/2017	01/14/2010	01/14/2010 (1)	01/03/2018	12/01/2007	08/01/2017 (2)	12/01/2017
Annual rate increase approved (6)	$2,250,000	$2,536,300	$7,969,000	$1,558,050	$648,000	$9,800,000 (2)	N/A (7)
Rate of return approved (6)	9.75% (3)	10.80% (3)	10.85% (3)	10.25% (3), (4)	10.75% (3)	Not Stated (2)	Not Stated (5)

(1) The effective date of the order approving the settlement agreement, which adjusted the rates originally approved on June 4, 2009.

(2) Eastern Shore filed an uncontested settlement agreement with the FERC in December 2017. FERC approved the settlement agreement by letter order on February 28, 2018. The order will be deemed final upon the expiration of the right to rehearing on March 30, 2018.

(3) Allowed after-tax return on equity.

(4) The terms of the settlement agreement for the FPU electric division limited proceeding with the Florida PSC prescribed an authorized return on equity range of 9.25 to 11.25 percent, with a mid-point of 10.25 percent. The FPU electric division cannot file for a base rate increase prior to December 2019, unless its allowed return on equity is below the authorized range and it experiences an unanticipated and unforeseen event that impacts the annual revenue requirement in excess of $800,000 within any contiguous four-month period.

(5) The terms of the agreement include revenue neutral rates for the first year, followed by a schedule of rate reductions in subsequent years based upon the projected rate of propane to natural gas conversions.

(6) The table reflects rate increases and rates of return approved prior to the enactment of the TCJA on December 22, 2017. See *Item 8, Financial Statements and Supplementary Data* (Note 18 , *Rates and Other Regulatory Activities* and Note 11, *Income Taxes* in the consolidated financial statements) for further discussion on the impact of this legislation on our regulated businesses.

(7) The Maryland PSC approved a declining return on equity that will result in a decline in our rates.