

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of Earliest Event Reported): September 21, 2021**

**Chesapeake Utilities Corporation**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-11590**  
(Commission  
File Number)

**51-0064146**  
(I.R.S. Employer  
Identification No.)

**909 Silver Lake Boulevard, Dover, Delaware 19904**  
(Address of principal executive offices, including Zip Code)

**(302) 734-6799**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former name or former address, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock - par value per share \$0.4867	CPK	New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 7.01 Regulation FD Disclosure.**

On September 22-23, 2021, management from Chesapeake Utilities Corporation (the “Company”) will participate in the Sidoti & Company LLC 2021 Fall Virtual Small Cap Conference. The Company will virtually join members of investment firms in a series of one-on-one meetings as scheduled through Sidoti & Company. Additionally, the Company is scheduled to make an investor presentation at the virtual conference on Thursday, September 23, 2021 from 1:45 ET to 2:15 PM ET. A copy of this investor presentation material is attached to this Current Report on Form 8-K (this “Report”) as Exhibit 99.1. The investor presentation material is also available in the “Investors” section of the Company’s website, sub-section “Events and Presentations” ([www.chpk.com](http://www.chpk.com)).

The information contained in this Item 7.01 and in Exhibit 99.1 attached to this Report is being furnished and shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of such section. Furthermore, such information shall not be deemed to be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended.

**Item 9.01 Financial Statements and Exhibits.**

Exhibit Numbers	Description
99.1	<a href="#">Sidoti &amp; Company, LLC Virtual Investor Conference – September 22-23, 2021 Presentation</a>
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

*September 21, 2021*

Chesapeake Utilities Corporation

By: /s/ Beth W. Cooper

Name: *Beth W. Cooper*

Title: *Executive Vice President and Chief Financial Officer*

Standing Strong. Embracing Change. **Shaping Our Future.**



# Sidoti & Company

## Small Cap Investor Conference

September 22-23, 2021





# Today's Presenters



**Go Paperless! Please consider using this electronic version of the presentation.**

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**Beth Cooper**

Executive Vice President,  
CFO and Asst. Secretary



**Thomas Mahn**

Vice President and Treasurer



**Alex Whitelam**

Head of Investor Relations

## 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. You should refer to the additional information contained in Chesapeake Utilities' Annual Report on Form 10-K for the year ended December 31, 2020 filed with the SEC and other subsequent SEC filings concerning factors that could cause those results to be different than contemplated in today's discussion.

## Reg D Disclosure

Today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation D. Although non-GAAP measures are not intended to replace GAAP measures for evaluation of Chesapeake's performance, Chesapeake believes that 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 and excludes depreciation, amortization and accretion. Other companies may calculate gross margin in a different manner.



- **160+** – Years providing energy
- **924** – Employees at July 2021
- **280,000** – Distribution customers
- **\$1.97 billion** – Total Assets at June 2021
- **30%** – Growth in Net Income from Continuing Operations (6 months ending June 2021)
- **22%** – Growth in Net Income from Continuing Operations (12 months ending June 2021)
- **14<sup>th</sup> Year** – of record earnings growth in 2020
- **60 Years** – of consecutive dividends in 2021

## Business Overview

### Strong Base of Regulated Utilities

#### Natural Gas Transmission States Served

**EASTERN SHORE**  
NATURAL GAS

DE, MD, PA

**PENINSULA**  
PIPELINE

FL

#### Natural Gas Distribution States Served

**CHESAPEAKE**  
UTILITIES

DE, MD

**SANDPIPER**  
ENERGY

MD

**CHESAPEAKE**  
ELKTON GAS

MD

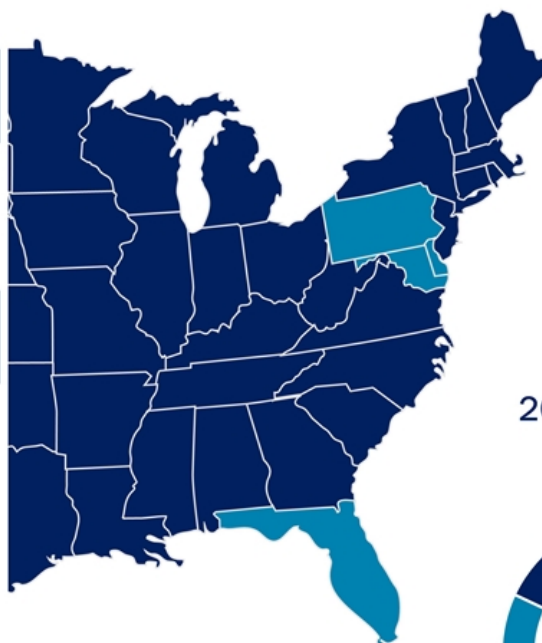
**FLORIDA PUBLIC**  
UTILITIES

FL

#### Electric Distribution States Served

**FLORIDA PUBLIC**  
UTILITIES

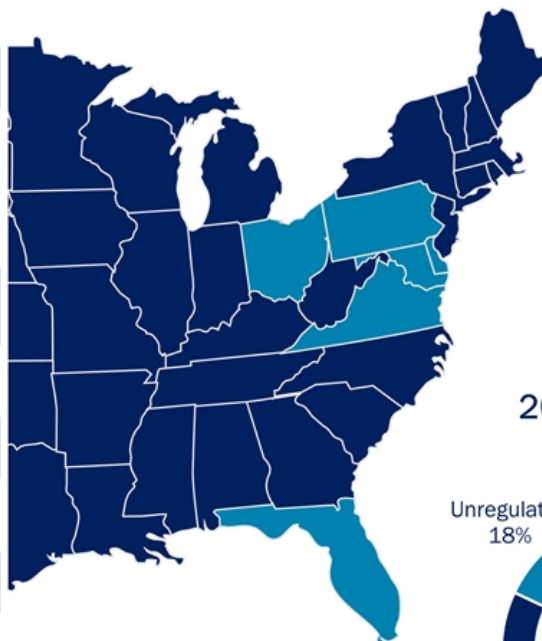
FL



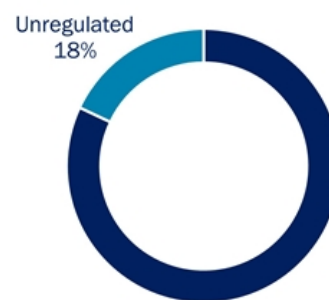
2020 Operating  
Income



Propane Distribution	States Served
<b>SHARP ENERGY</b>	DE, MD, PA, VA, FL
<b>FLORIDA PUBLIC UTILITIES</b>	FL
Natural Gas Pipeline System	States Served
<b>ASPIRE ENERGY</b>	OH
CNG Virtual Pipeline	States Served
<b>MARLIN GAS SERVICES</b>	Multiple
CHP Generation	States Served
<b>Eight Flags</b>	FL
RNG Opportunities	States Served
<b>CHESAPEAKE UTILITIES CORPORATION</b> Family of Businesses	DE, MD, OH, FL and others



2020 Operating Income



Note: Compressed Natural Gas (CNG), Combined Heat and Power (CHP), Renewable Natural Gas (RNG)



We have generated a strong track record of growth,  
whether measured over the near term or longer term.

Strong utility foundation with  
above average industry growth  
rate driven by increased  
customer demand

Capital investments of  
**\$1.7 Billion**  
since 2009

Top Quartile  
**16%+**  
Total Shareholder Returns

Successful unregulated energy  
portfolio that complements  
our utility foundation

**14 years**  
consecutive earnings growth  
through 2020

60 years of dividend  
payments, with increases in  
each of last **14** years  

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9.5% avg. annual growth

Strong balance sheet,  
disciplined capital deployment  
and proven project  
development capabilities

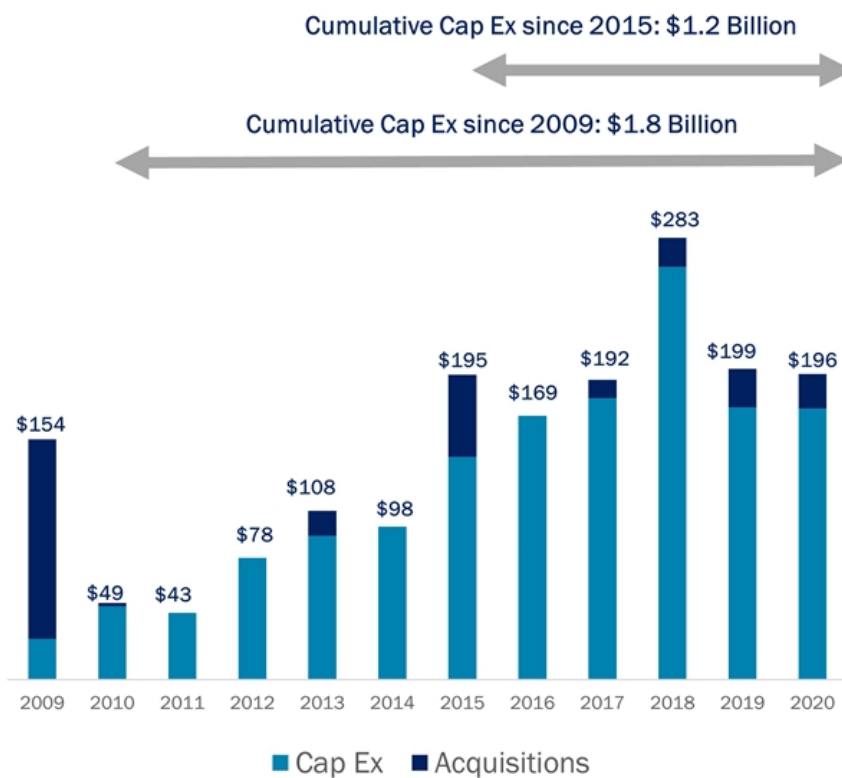
**15 years**  
with  
**11%+ ROE**

Well positioned for future  
growth as we continue  
delivering affordable, reliable  
and sustainable energy  
solutions



# Capital Investment Has Driven Our Earnings Growth

## Historical Capital Expenditures and Acquisitions

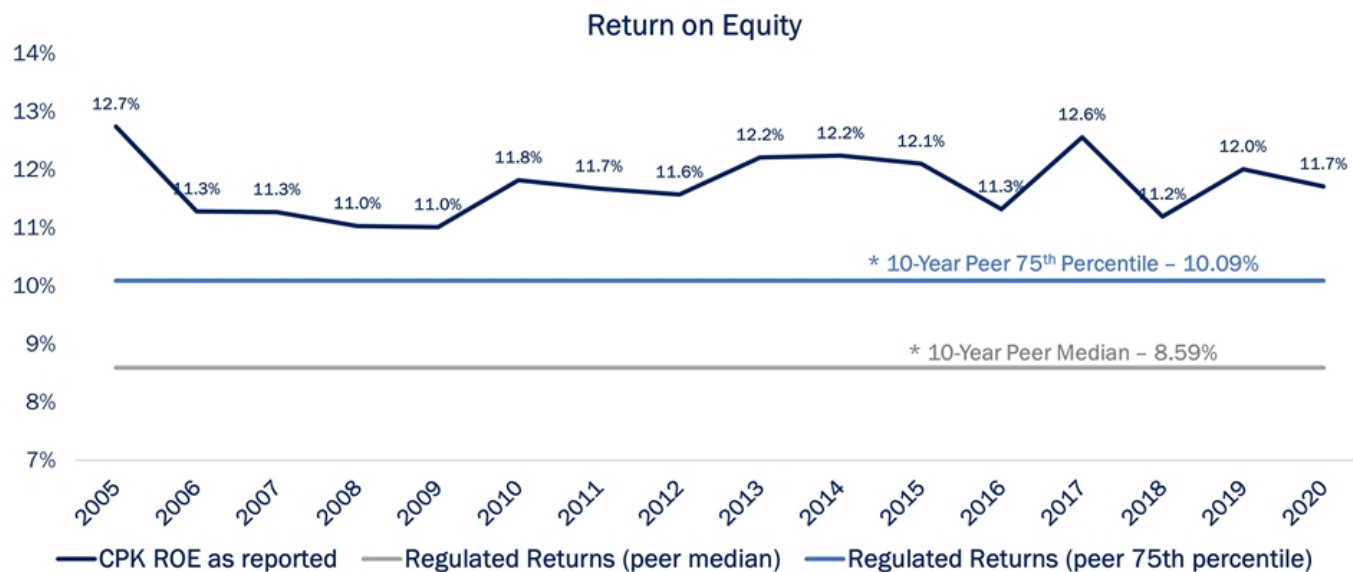


Amounts in chart reflected in thousands.



# Solid Track Record of Return on Equity

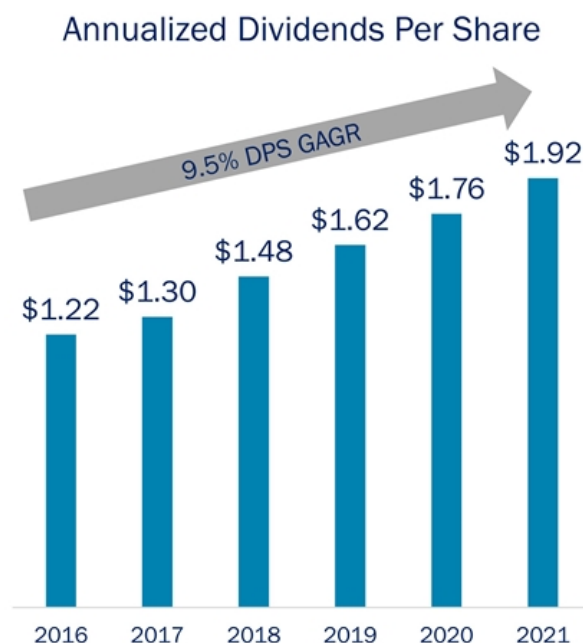
## Consistently Exceeding Peer Median and 75th Percentile



Return on Equity				
For the periods ending December 31, 2020				
	1 Year	3 Year	5 Year	10 Year
CPK	11.7%	11.6%	11.7%	11.8%
Peer Median	8.8%	9.4%	9.0%	8.6%
Peer 75th Percentile	9.9%	9.9%	10.2%	10.1%

# Growth in Earnings Drives Dividend Growth

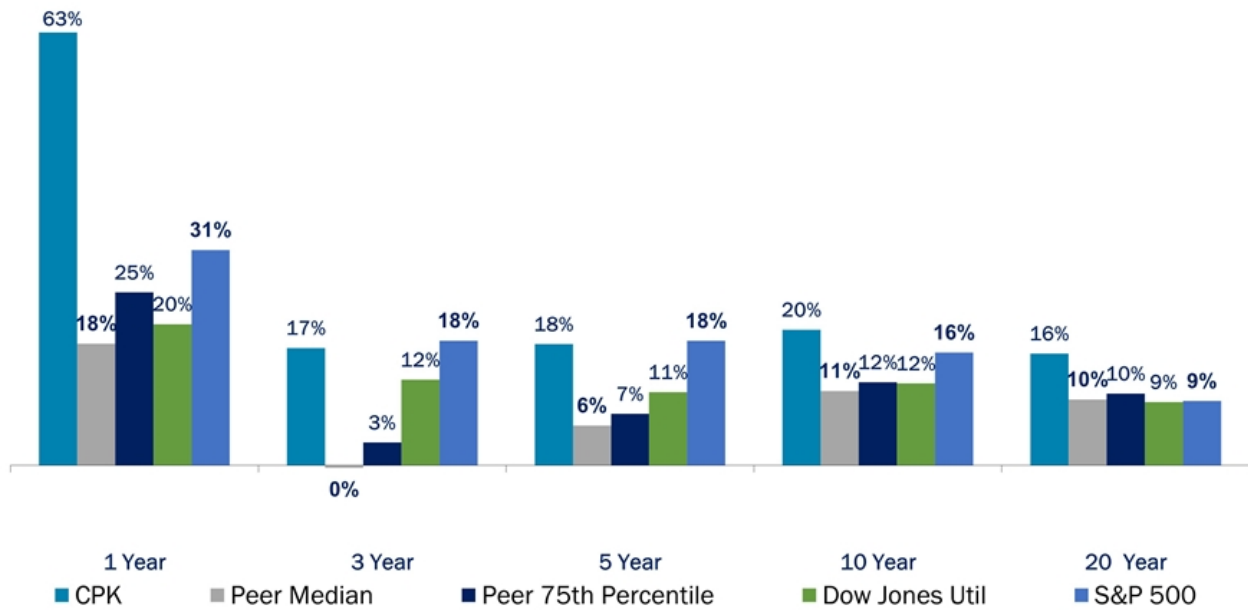
Earnings and Dividend Performance for Periods Ended December 31<sup>st</sup>



Our earnings growth drives our consistent and growing dividend

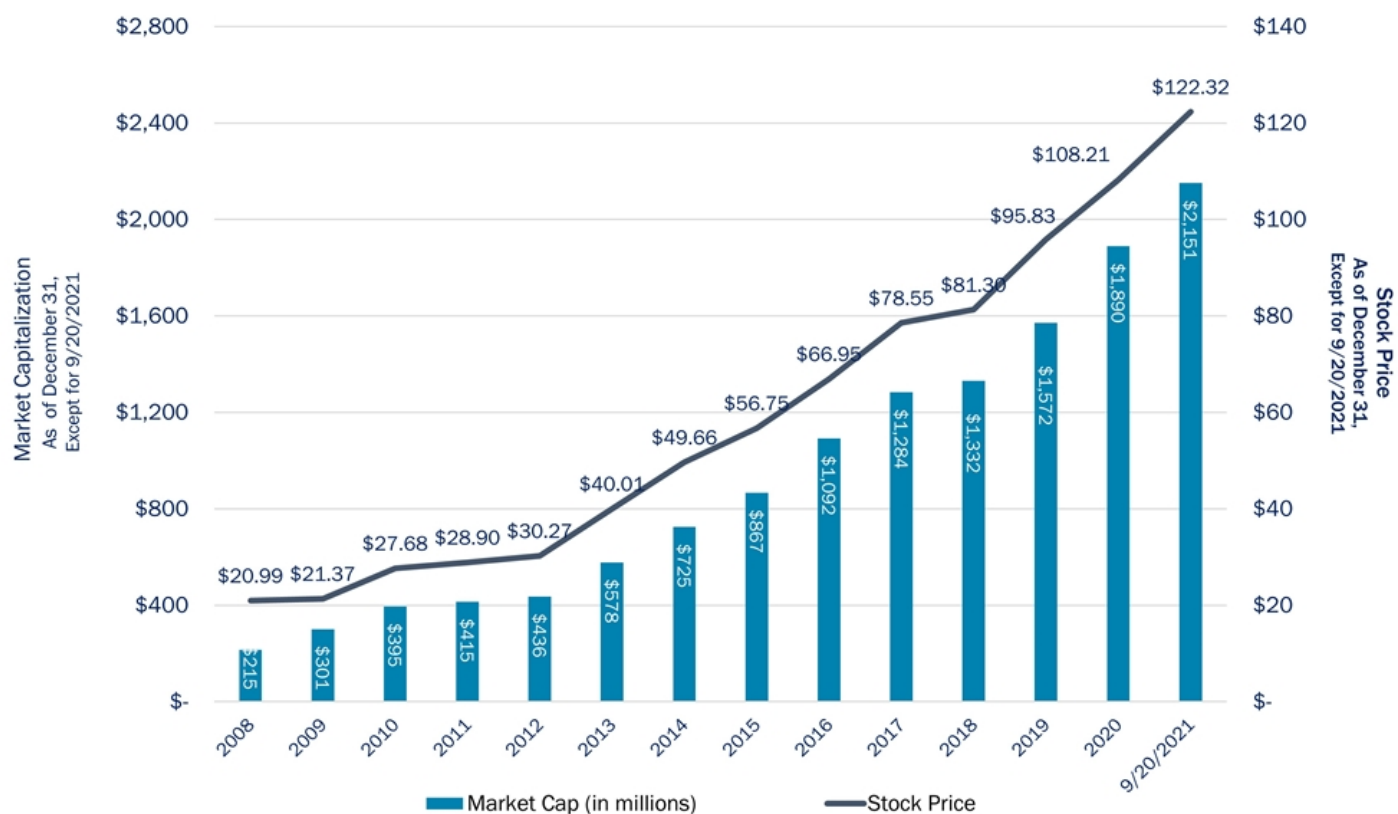
\* 2017 Includes TCJA Impact

Average Annualized Shareholder Return for Periods Ended August 31, 2021



Our increased performance is driving increased value for our shareholders

## Stock Price and Market Capitalization





## Organic Growth

Optimize the earnings potential of our existing businesses through organic growth and business transformation.



## Gas Transmission

Pursue intrastate and interstate gas transmission projects in selected markets.



## Propane

Expand the propane wholesale, retail and AutoGas businesses in the Mid-Atlantic and Southeast, including through new acquisitions.



## Marlin Gas Services

Expand Marlin virtual pipeline and product transport business (CNG, LNG, RNG, Hydrogen, CO<sub>2</sub>).



## Sustainable Investments

- Renewable Natural Gas from waste sources
- CNG/RNG vehicle fuels
- Combined Heat and Power Projects
- Renewable power generation associated with RNG
- Introduction of Hydrogen

We are providing our customers with affordable, reliable and sustainable energy delivery solutions

## Margin Contribution from Major Projects and Initiatives

		Gross Margin for the Period					
		Three Months Ended		Six Months Ended		Year Ended	
		June 30,		June 30,		December 31,	
						Estimate for	
						Fiscal	
		2021	2020	2021	2020	2020	2021 2022
<i>in thousands</i>							
<b>Pipeline Expansions:</b>							
New	Western Palm Beach County, Florida Expansion	\$ 1,172	\$ 967	\$ 2,340	\$ 1,968	\$ 4,167	\$ 4,811 \$ 5,227
	Del-Mar Energy Pathway	921	452	1,805	641	2,462	4,134 6,708
	Callahan Intrastate Pipeline	2,121	536	4,239	536	3,851	7,564 7,598
	Guernsey Power Station	47	-	94	-	-	514 1,486
	Winter Haven Expansion	-	-	-	-	-	- 426
	Beachside Pipeline Expansion	-	-	-	-	-	- -
Total Pipeline Expansions		4,261	1,955	8,478	3,145	10,480	17,023 21,445
CNG Transportation		1,708	2,107	3,785	3,454	7,231	7,900 8,500
Renewable Natural Gas ("RNG") Transportation		-	-	-	-	-	150 1,000
<b>Acquisitions:</b>							
New	Elkton Gas	746	-	2,058	-	1,344	3,992 4,113
	Western Natural Gas	389	-	939	-	389	2,066 2,251
	Escambia Meter Station	83	-	83	-	-	583 1,000
	Total Acquisitions	1,218	-	3,080	-	1,733	6,641 7,364
<b>Regulatory Initiatives:</b>							
New	Florida GRIP	4,181	3,609	8,236	7,305	15,178	16,848 17,882
	Hurricane Michael regulatory proceeding	3,145	-	5,720	-	10,864	11,014 11,014
	Capital Cost Surcharge Programs	120	128	257	261	523	1,186 1,985
	Elkton STRIDE Plan	-	-	-	-	-	45 299
	Total Regulatory Initiatives	7,446	3,737	14,213	7,566	26,565	29,093 31,180
Total		\$ 14,633	\$ 7,799	\$ 29,556	\$ 14,165	\$ 46,009	\$ 60,807 \$ 69,489

Increases (000's) : **2021** **2022** **Total**  
**\$14,798** **\$8,682** **\$23,480**

## Key Expansion Projects

### Pipeline Growth and Margin Contribution

	Project	Capital Investment	Fully In Service	Annual Gross Margin Estimate
	West Palm Beach County	\$28.9 million	2021 Fourth Quarter	\$5.2 million
	Del-Mar Energy Pathway*	\$63.4 million	2021 Fourth Quarter	\$6.7 million
	Callahan Pipeline (JV)	\$33.5 million CPK 50%	2020 Second Quarter	\$7.6 million
	Guernsey Power Station	\$6.5 million	2021 Fourth Quarter	\$1.5 million
New	Winter Haven Expansion	\$3.5 million	2022 First Quarter	\$0.4 million
New	Beachside Pipeline Extension	\$16.7 million	2023 First Quarter	\$2.5 million

Total investments of \$152.5 million generate incremental gross margin of \$23.9 million once fully in service in 2023

\* Del-Mar Energy Pathway includes initial distribution capital investment and margin.



## Active Renewable Natural Gas Projects



- [Noble Road Landfill Project](#) where Aspire Energy will construct a 17.5 mile pipeline to inject RNG developed at the landfill for distribution to its end use customers.
- [BioEnergy Devco and CleanBay](#) RNG source created from poultry waste. Services include the transport of RNG by Marlin Gas Services to Eastern Shore Natural Gas (our interstate pipeline) which is ultimately distributed to CPK's natural gas customers. CPK is involved in discussions to potentially offer additional services. The projects are under development and the timing of RNG availability is dependent on the construction schedule of each project.
- [CNG Filling Station](#) at the Port of Savannah in conjunction with Southern Company Gas. CPK will build the physical station on behalf of Southern and then lease and operate it. The facility is designed to serve local CNG fleets as well as RNG fueled vehicles.



## Recent State Level Governmental Affairs Activities

Florida Activity		Ohio Activity
Energy Preemption Bill	Renewable Energy Bill	Energy Preemption Bill
<ul style="list-style-type: none"> <li>• Filed by the Florida Natural Gas Association (FNGA).</li> <li>• <u>Cleared both chambers of the Florida legislature and was signed by the Governor in June 2021.</u></li> <li>• Restricts local governments from limiting energy choice for consumers.</li> <li>• Retroactive implementation.</li> </ul>	<ul style="list-style-type: none"> <li>• Filed by Chesapeake Utilities.</li> <li>• <u>Cleared both chambers of the Florida legislature and was signed by the Governor in June 2021.</u></li> <li>• Defines Biogas, Renewable Natural Gas (RNG). Amends the definition of Renewable Energy to include RNG as a source.</li> <li>• Provides for RNG's use in transportation, electric generation, and injection into gas distribution systems.</li> <li>• Authorizes the PSC to approve cost recovery for RNG contracts that exceed market rates under certain conditions.</li> </ul>	<ul style="list-style-type: none"> <li>• Ohio HB 201</li> <li>• State Energy preemption legislation to prevent towns and municipalities from banning natural gas passed the Ohio House in a 64-32 favorable vote</li> <li>• <u>The bill is now in the Ohio Senate Energy &amp; Public Utilities Committee awaiting a hearing.</u></li> </ul>

We continue to monitor other states' activities in regards to energy preemption and renewable energy opportunities.

## Florida GRIP

- Natural gas pipe replacement program approved by the Florida PSC.
- Since inception in August 2012, invested \$178.9 million of capital expenditures to replace 333 miles of qualifying distribution mains, including \$13.0 million of new pipes during the first six months of 2021.
- Annual gross margin of approximately \$16.8 million in 2021, and \$17.9 million in 2022.

## Hurricane Michael Settlement

- The settlement agreement allowed FPU to:
  - (a) refund the over-collection of interim rates through the fuel clause;
  - (b) record regulatory assets for storm costs in the amount of \$45.8 million including interest which will be amortized over six years;
  - (c) recover these storm costs through a surcharge for a total of \$7.7 million annually;
  - (d) collect an annual increase in revenue of \$3.3 million to recover capital costs associated with new plant and a regulatory asset for the cost of removal and undepreciated plant

## Capital Cost Surcharge Programs

- Eastern Shore recovery mechanism for capital costs associated with mandated highway or railroad relocation projects that required the replacement of existing Eastern Shore facilities.
- Estimated gross margin of approximately \$1.2 million in 2021 and \$2.0 million in 2022 from relocation projects.

### Elkton Gas STRIDE Plan

- Settlement reached with the Maryland PSC Staff and the Maryland Office of the Peoples Counsel.
- Aldyl-A pipeline replacement program which enables recovery of the capital investment in the form of a fixed charge rider through a proposed 5-year surcharge.
- Expected to go into service in the third quarter of 2021 and generate less than \$0.1 million of margin for the remainder of the year, \$0.3 million in 2022, and \$0.4 million annually thereafter.

### Florida COVID-19 Regulatory Proceeding

- Florida regulated business units reached a settlement with the Office of Public Counsel in June 2021.
- Allows the Florida regulated business units to establish a regulatory asset of \$2.1 million.
- Amortize the amount over two years beginning January 1, 2022 and recover the regulatory asset.
- Annual additional gross margin of \$1.0 million that will be offset by a corresponding amortization of regulatory asset expense for both 2022 and 2023.



- We take seriously our responsibility to be a good, trusted and ethical corporate citizen, and doing all we can to contribute, through investment, charitable contributions and volunteerism, to greater sustainability, environmental benefits and societal advancement.
- For more than 160 years, we have delivered affordable and sustainable energy solutions that respond timely to the evolving needs of our customers and the communities we serve.
- We take positive and informed steps to continue our tradition of reducing our direct methane emissions, while at the same time helping our customers and communities to reduce their emissions.
- We are committed to ensuring that safety, equity, diversity and inclusion are at the center of our culture.
- Each and every day, we proudly deliver essential, safe, reliable, affordable, sustainable and efficient energy solutions to our customers in Florida, Ohio and across the Delmarva Peninsula.
- We are committed to sustainable growth with financial discipline that generates long-term value for our stakeholders.
- Our success rests on the strength and dedication of our team, our diverse, inclusive and collaborative culture, and our award winning corporate governance practices, all of which contribute to our strong financial performance.

Together, the Chesapeake Utilities Team

### **PROUDLY DELIVERS UNINTERRUPTED ENERGY SERVICES TO OUR CUSTOMERS**

- We have an unwavering focus on advancing initiatives that are consistent with our long-history of growth, upper-quartile performance, and the reduction of greenhouse gas emissions.
- Our inaugural Corporate Responsibility and Sustainability Report will be made available during 2021, providing additional information and insights on our long-standing ESG stewardship.
- We are continuing to strengthen our safety culture.
- We are accelerating a business transformation process to address the organizational and technology enhancements that will support our continued responsible growth.

American  
Disabilities Act  
Marks  
Anniversary

Celebrating  
PRIDE Month

Employee  
Walking  
Challenge

LGBTQIA+  
History –  
National  
Coming Out  
Day

Mentoring  
Program

The Civil Rights  
Act of 1964

Juneteenth  
Independence  
Day



## Internal Employee Resource Groups



CHESAPEAKE UTILITIES  
**EQUITY  
DIVERSITY  
& INCLUSION**



CHESAPEAKE UTILITIES  
**SPARC**  
SUPPORT • PROMOTE • ATTRACT • RETAIN • CONNECT



CHESAPEAKE UTILITIES  
**WISDOM  
SEEKERS  
& SHARERS**



CHESAPEAKE UTILITIES  
**BLACK  
EMPLOYEE  
NETWORK**



CHESAPEAKE UTILITIES  
**VETERANS  
RESOURCE  
GROUP**

CHESAPEAKE  
**Women  
in Energy**

## Chesapeake Cares



More than 100 local charities  
supported each year



More than 110 scholarships  
awarded to children of CPK employees

## Recent Awards and Recognitions



**THE NEWS JOURNAL**  
delawareonline.com

Chesapeake Utilities  
Corporation is a 2021 Top  
Workplace!

Named Top Work Place in US for 2021,  
Top Work Place in Delaware for 10 Years in a Row



**American Gas Association**

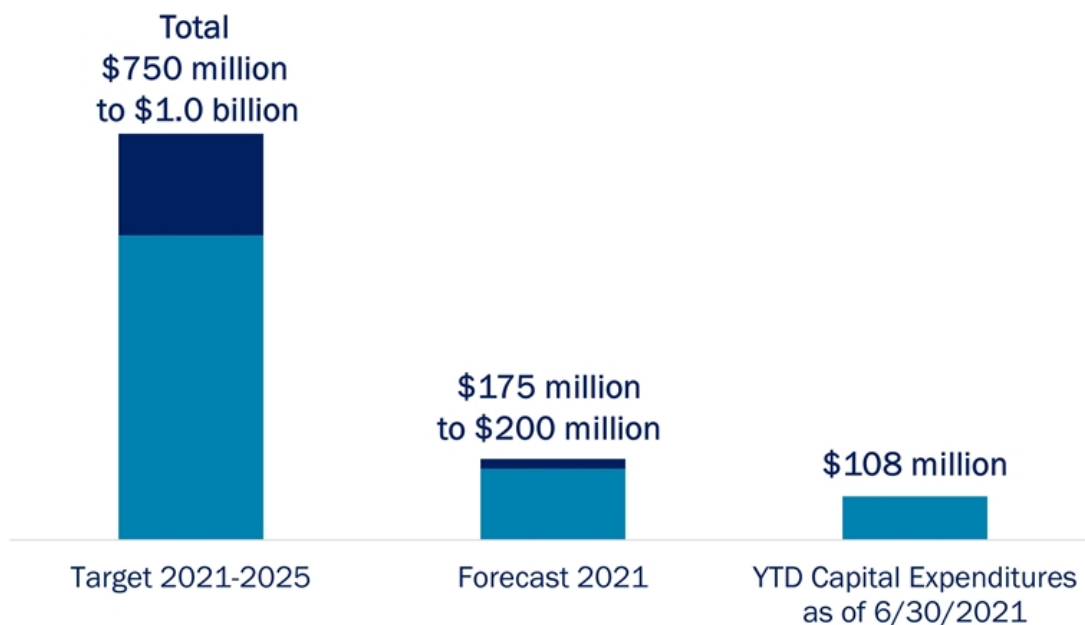
Three CPK Business Received Industry Leader  
Accident Prevention Awards for 2020



Chesapeake Utilities named  
2021 Best Company with Over 50 People  
Sharp Energy named 2021 Best Propane Company

## Capital Investment Guidance Continued Record Investment in Our Business Growth

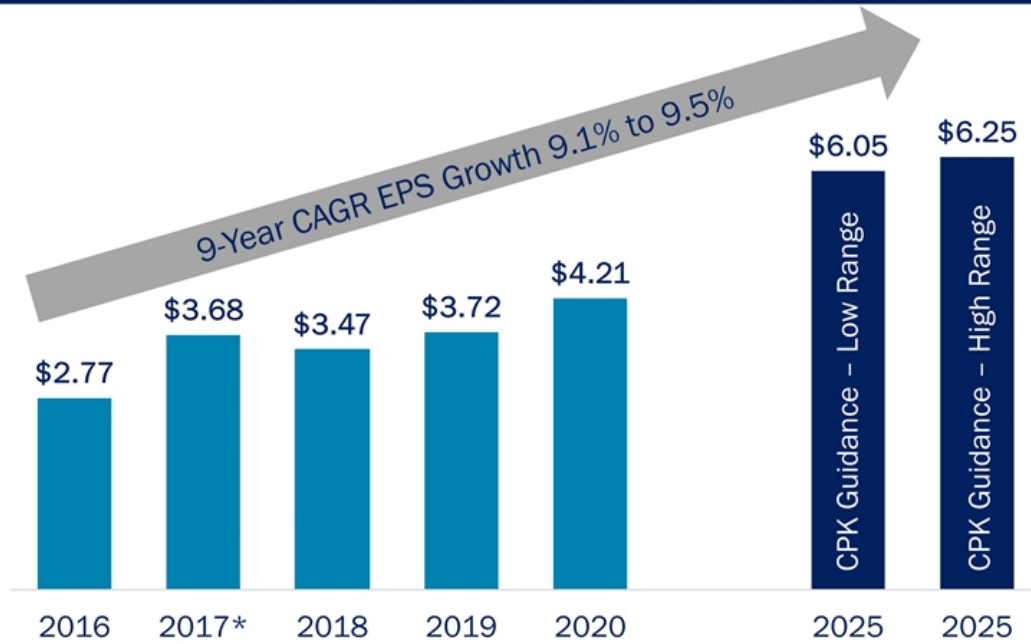
5-year capital expenditure guidance 2021 thru 2025 up to \$1 billion.



2021 Capital Forecast range of \$175 million to \$200 million remains on track

## Diluted Earnings per Share Guidance Continuing Operations

Diluted Earnings Per Share from Continuing Operations Guidance through 2025



Strategic capital investments  
continue to drive earnings growth.

\* 2017 Includes TCJA Impact



We seek to identify and develop opportunities to drive our future earnings growth and increase shareholder value.

- Capitalizing on new organic growth and operational efficiencies
- Investing in pipeline systems that provide natural gas service to downstream customers
- Identifying propane opportunities to access new markets with significant growth potential
- Pursuing virtual pipeline opportunities given Marlin capabilities (CNG, LNG, RNG)
- Expanding our RNG footprint through multiple channels throughout our service areas
- Investing in our diverse talented team
- Engaging with communities where we work and live
- Driving brand excellence through safety awards, top workplace, employee engagement and community service

### Strong Foundation for Growth:

- Track Record
- Energized Team
- Financial Discipline
- Platforms for Growth

### Financial Objectives in Support of Increased Shareholder Value:

- Investing \$750 million to \$1 billion through 2025
- Targeting 2025 EPS \$6.05 to \$6.25
- Seeking 11.0% or higher consolidated return on equity
- Pursuing dividend growth supported by earnings growth
- Maintaining a strong balance sheet

## Average Annualized Shareholder Return

### For Periods Ending August 31, 2021

1 Year	3 Year	5 Year	10 Year	20 Year
63%	17%	18%	20%	16%

Standing Strong. Embracing Change. **Shaping Our Future.**



**Thank You**



Standing Strong. Embracing Change. **Shaping Our Future.**



# Appendix



Financial results for the quarters and six months ended June 30, 2021 and 2020

(in thousands except per share data)

**Total Gross Margin**

**Operating Income**

**Other Income, Net**

**Interest Charges**

**Pre-tax Income**

**Income Taxes**

**Net Income from Continued Ops**

**Income (Loss) Discontinued Ops**

**Net Income**

**Diluted EPS from Continued Ops**

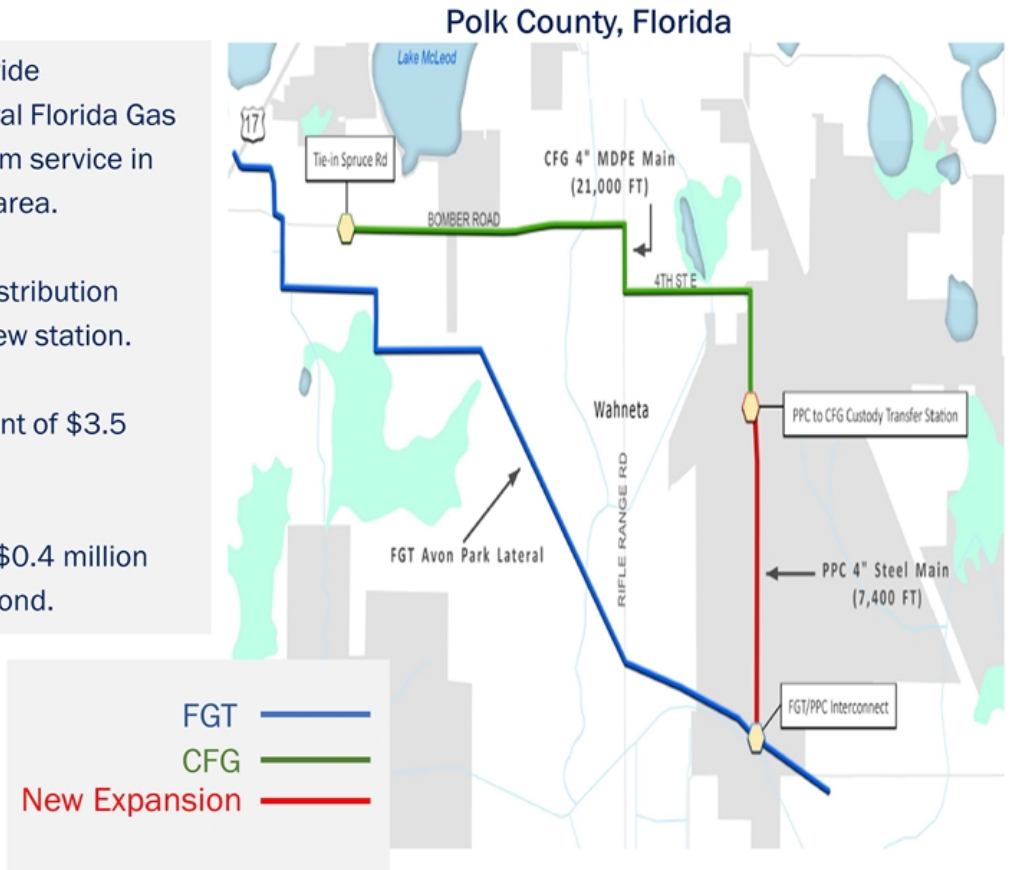
**Diluted EPS**

Second Quarter	
2021	2020
<u>\$ 84,381</u>	<u>\$ 74,090</u>
\$ 22,578	\$ 17,977
1,456	(279)
(5,054)	(5,054)
18,980	12,644
(5,165)	(1,983)
13,815	10,661
(2)	295
<u>\$ 13,813</u>	<u>\$ 10,956</u>
<u>\$0.78</u>	<u>\$0.64</u>
<u>\$0.78</u>	<u>\$0.66</u>

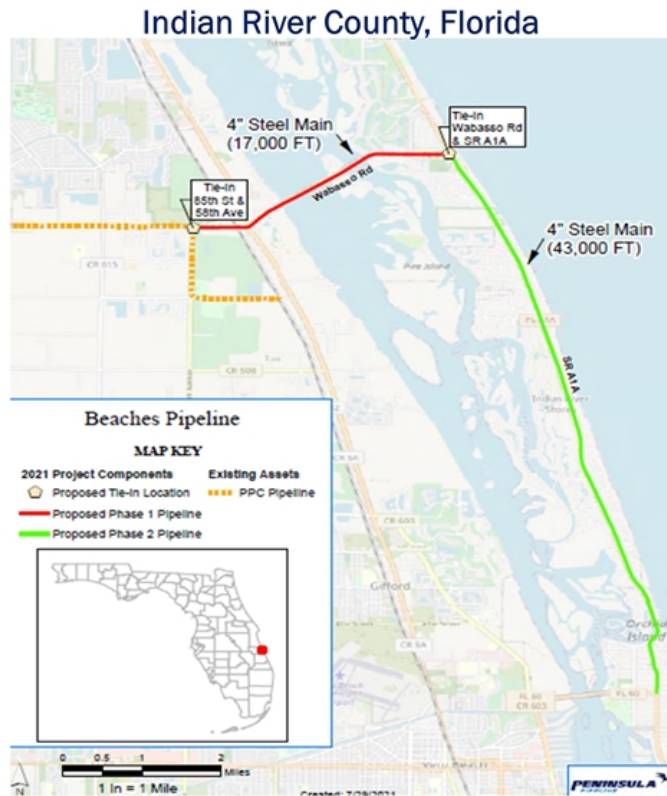
Year-to-Date	
2021	2020
<u>\$ 201,271</u>	<u>\$ 173,911</u>
\$ 74,175	\$ 60,111
1,841	3,039
(10,159)	(10,868)
65,857	52,282
(17,570)	(12,580)
48,287	39,702
(8)	184
<u>\$ 48,279</u>	<u>\$ 39,886</u>
<u>\$2.75</u>	<u>\$2.41</u>
<u>\$2.75</u>	<u>\$2.42</u>

Strong Performance driven by over \$27 million in additional gross margin for the first half of 2021. The year-to-date timing impact of Hurricane Michael impact will reverse in the third quarter as the regulatory proceeding was finalized in the third quarter of 2020 and the year-to-date impact was reflected in the third quarter.

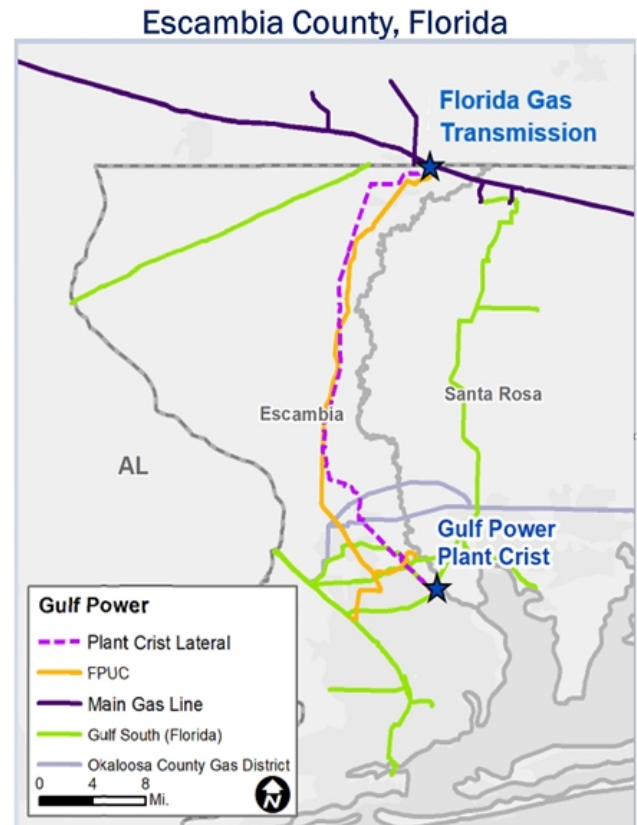
- Peninsula Pipeline will provide Chesapeake Utilities' Central Florida Gas ("CFG") with incremental firm service in the Winter Haven, Florida, area.
- CFG is also extending its distribution system to connect to the new station.
- Estimated capital investment of \$3.5 million.
- Additional gross margin of \$0.4 million beginning in 2022 and beyond.



- Peninsula Pipeline to provide incremental firm service in Indian River County, Florida, to support Florida City Gas' growth along the Indian River Shore barrier island.
- Pipeline from the Sebastian, Florida, area east under the Intercoastal Waterway and southward on the barrier island.
- Estimated capital investment of \$16.7 million.
- Projected additional annual gross margin of \$2.5 million in 2023 and beyond.



- Peninsula Pipeline purchased the Escambia Meter Station from Florida Power and Light Company and also entered into a Transportation Service Agreement to provide up to 530,000 dts/d of firm service from an interconnect with Florida Gas Transmission to Florida Power & Light's Crist Lateral pipeline.
- Provides \$0.1 million in additional gross margin in the second quarter of 2021; estimated gross margin of approximately \$0.6 million in 2021, growing to \$1.0 million in 2022.





(dollars in thousands)

**Regulated Energy:**

Natural gas distribution  
Natural gas transmission  
Electric distribution  
Total Regulated Energy

**Unregulated Energy:**

Propane distribution  
Energy transmission  
Other unregulated energy  
Total Unregulated Energy

**Other:**

Corporate and other businesses

**Total Capital Expenditures**

Forecast 2021	
Low	High
\$ 79,000	\$ 85,000
55,000	60,000
9,000	13,000
143,000	158,000
82%	79%
9,000	12,000
14,000	15,000
8,000	12,000
31,000	39,000
1,000	3,000
\$ 175,000	\$ 200,000

Year-to-date through June 30, 2021  
**Capital expenditures  
were \$107.8 million**

2021 Key Projects:

- Del-Mar Energy Pathway
- Florida's Western Palm Beach County Expansion
- Florida GRIP
- Natural gas distribution and transmission system expansions including several newly announced projects
- Natural gas and electric system infrastructure improvement activities
- Marlin Gas Services' CNG transport growth and expansion into RNG and LNG transport
- Newly announced pipeline expansion projects

We remain on track with initial capital expenditure guidance for 2021



## Capital Structure Overview

### Strong Balance Sheet to Support Growth

	06/30/21	12/31/2020	
Stockholders' equity	\$ 741,564	\$ 697,085	Long-Term Debt Avg. Interest Rate - 3.61% \$50 Million - 2.49% Funding 1/25/2022
Long-term debt, net of current maturities	498,450	508,499	
Total permanent capitalization	\$ 1,240,014	\$ 1,205,584	
Current portion of long-term debt	13,600	13,600	Short-Term Debt \$400 million Facility LIBOR + 0.70 bps
Short-term debt	169,294	175,644	
Total capitalization and short-term financing	\$ 1,422,908	\$ 1,394,828	
Equity to Permanent Capital	59.8%	57.8%	Within our target equity range
Equity to Total Capitalization	52.1%	50.0%	
New Long-Term Debt Issuance	\$ -	\$ 90,000	
Net New Equity Issuance	\$ 9,089	\$ 89,700	

Stockholders' Equity increased \$44.5 million during the first half of 2021 primarily driven by:

- Strong Net Income driving an increase in Retained Earnings of \$32.0 million
- Dividend Reinvestment and Stock Compensation Plans increased \$9.1 million
- Other Comprehensive Income was \$3.4 million