

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



AGA Financial Forum

May 19-20, 2021

Presenters



Jeff Householder
President & CEO



Beth Cooper
Executive Vice President,
CFO and Asst. Secretary



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General Counsel , Corporate
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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. 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 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.

COVID-19 Impact

At this time, we cannot fully quantify the future impact that the Coronavirus Disease 2019 ("COVID-19") will have on the economy, and more particularly, on Chesapeake Utilities Corporation. The earnings and capital estimates we have included herein do not reflect any future estimates of the potential impact. The Company has established regulatory assets totaling \$1.6 million associated with the net incremental expense impacts, as authorized by the Delaware and Maryland PSCs, and initially provided by the Florida PSC. We are continuing to review the various expense impacts associated with COVID-19 and will adjust these estimates, as necessary, in the future.

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 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

Dividend Payments:
60 years; past **14** years with increases. Five year annual average growth of **9.5%**

Strong balance sheet; proven project development capabilities; well positioned for continued growth in a sustainable energy environment

15 years
ROE
11% plus

Market Capitalization growth
More than quadrupled over the last 10 years

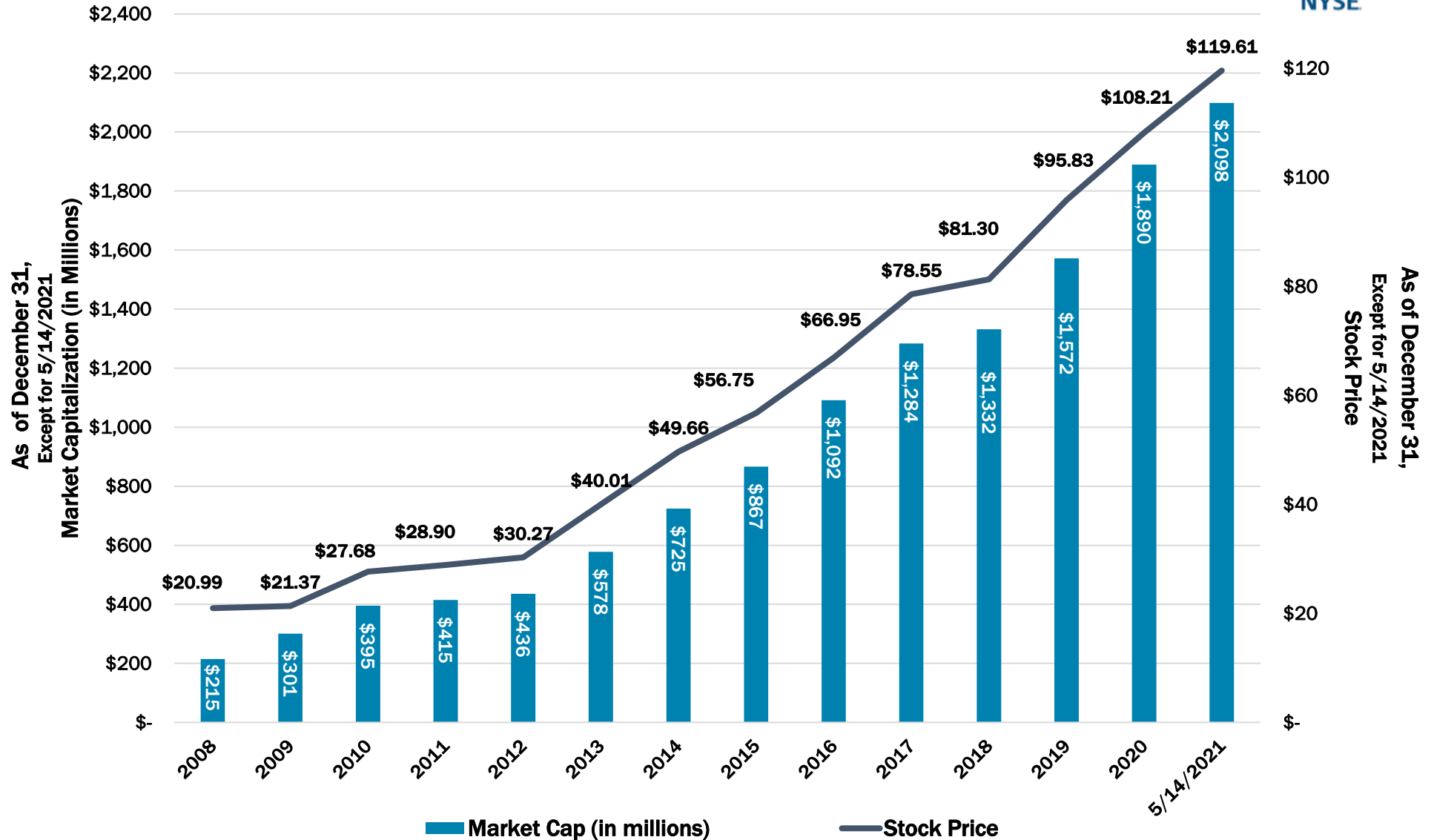
Consistently Delivered Strong Performance. Focused on Keeping Our Track Record Going.



Market Capitalization

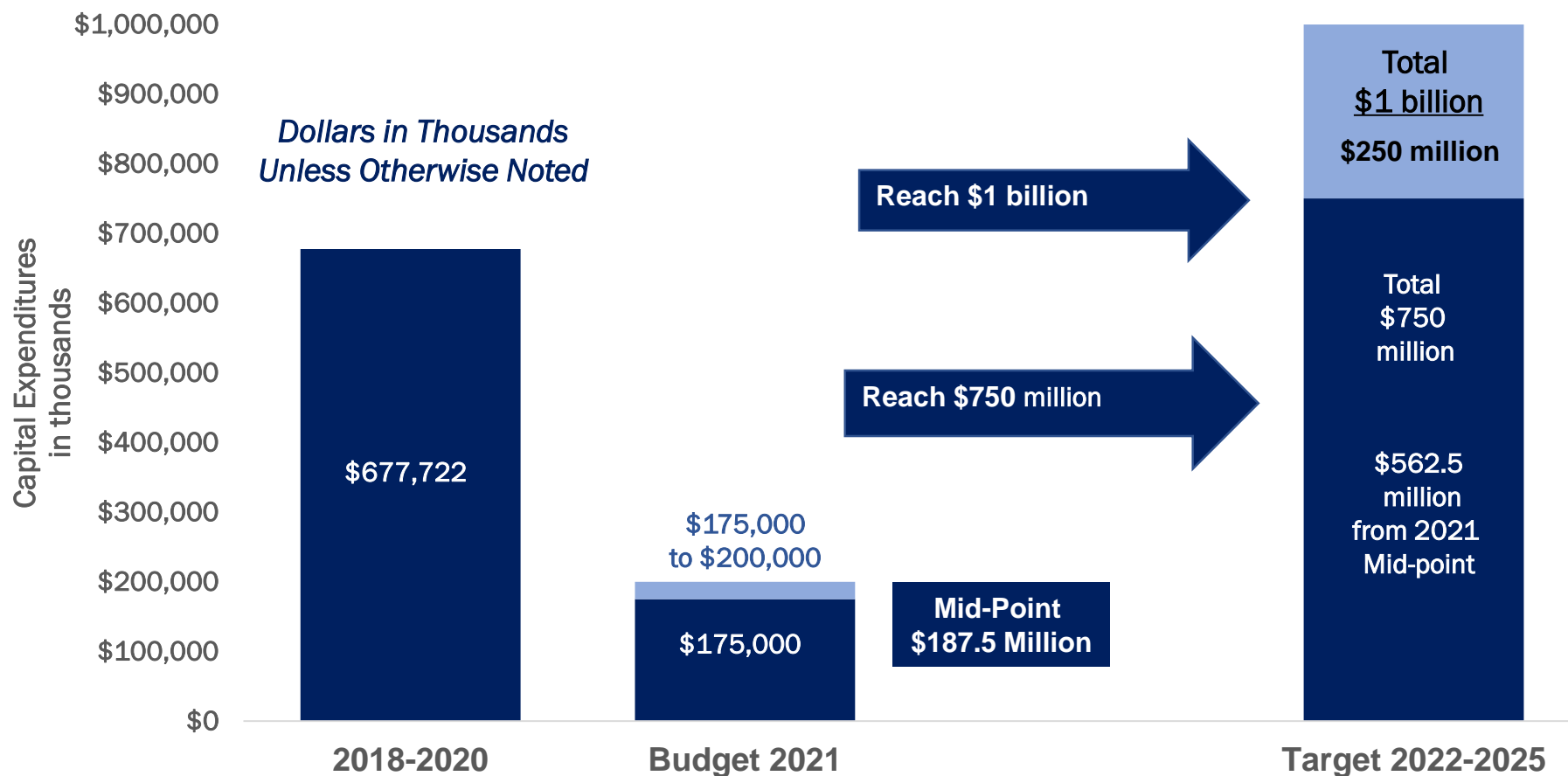
Increased Performance is Driving Increased Value

CPK
LISTED
NYSE



Capital Investment Guidance

Continued Record Investment in Our Business Growth



Management provides its five year capital expenditure guidance 2021 thru 2025 up to \$1 billion. We anticipate a portion of the \$1 billion will be invested in renewable energy projects.

*2021 Capital Forecast range of \$175 million to \$200 million
We will continue to update this forecast as we move through the year.



Strategic Growth Initiatives

Organic Growth

Optimize the earnings potential in 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.



Marlin Gas Services

Expand Marlin virtual pipeline and product transport business (CNG, LNG, RNG, Hydrogen, Co2).



Sustainable Investments

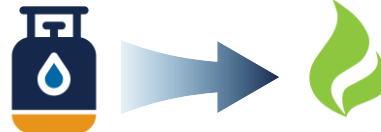
- Renewable Natural Gas from waste sources
- CNG/RNG vehicle fuels
- Renewable power generation associated with RNG
- Hydrogen production

We see a long runway ahead for continued growth in our core natural gas, propane and electric delivery businesses. Our attention is focused on lowering carbon emissions in our internal operations, and working with our contractors, suppliers and customers to reduce their carbon impacts. There is great opportunity for us to build a solid portfolio of sustainable energy investments.

Significant Initiatives Underway



**DELMARVA AND FLORIDA
ORGANIC GROWTH AND
PIPELINE EXPANSIONS**



**COMMUNITY GAS
SYSTEM CONVERSIONS
CUSTOMER GROWTH,
AUTOGAS, ACQUISITIONS**



**DISTRIBUTION SYSTEM
IMPROVEMENT PROJECTS**



**SAFETY TOWN
STATE OF THE ART
TRAINING CENTER**



**INFRASTRUCTURE
INVESTMENT**

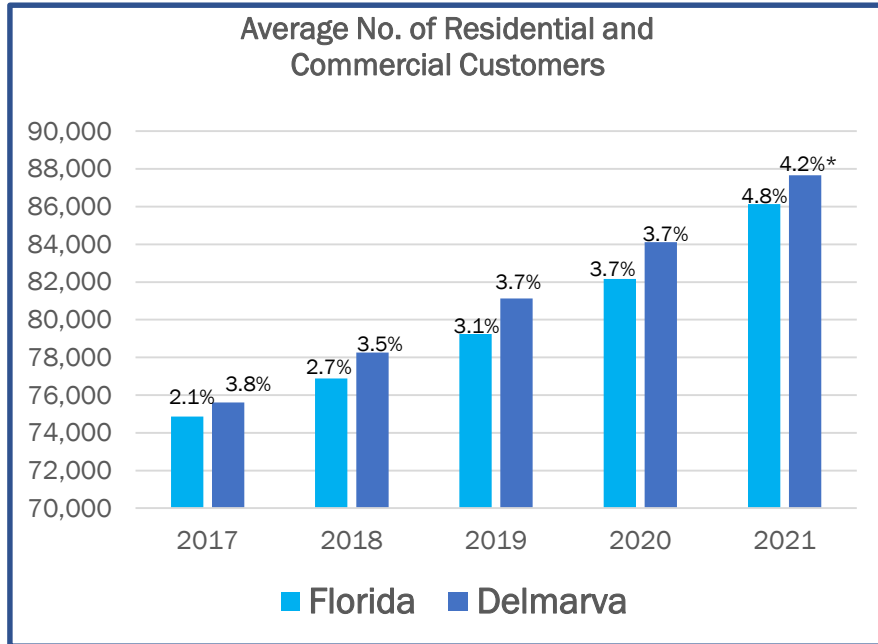


**RNG
COLLABORATIONS**

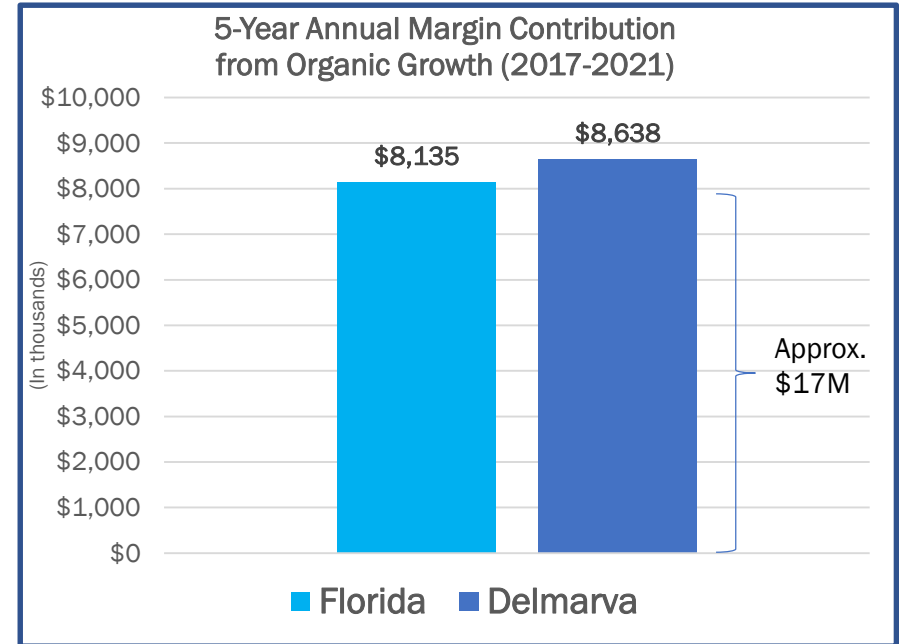
**MARLIN
TRANSPORT
(VIRTUAL PIPELINE)**



Natural Gas Distribution Growth Above Average Customer Growth Driving Significant Margin



**Excludes 6,867 residential and commercial customers added in conjunction with the Elkton Gas acquisition in 2020.*



Key Expansion Projects

Pipeline Growth and Margin Contribution

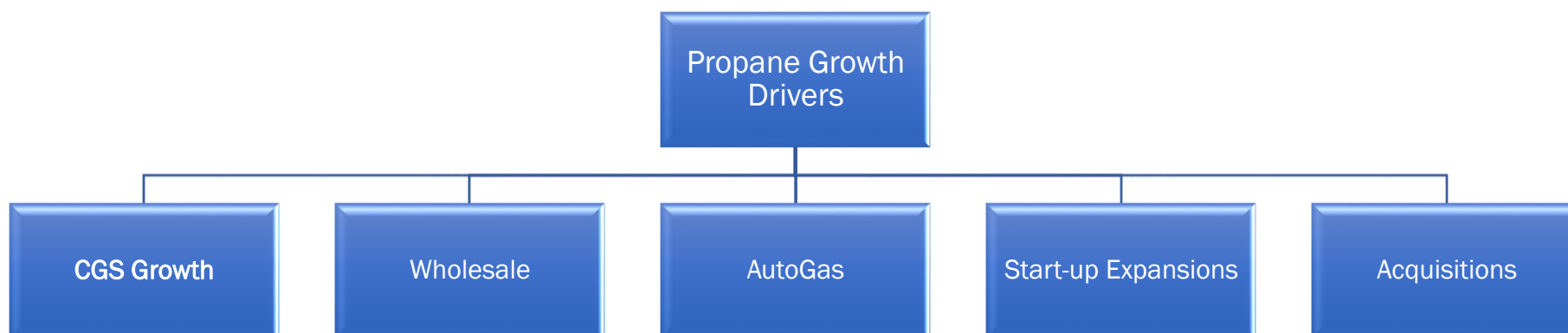
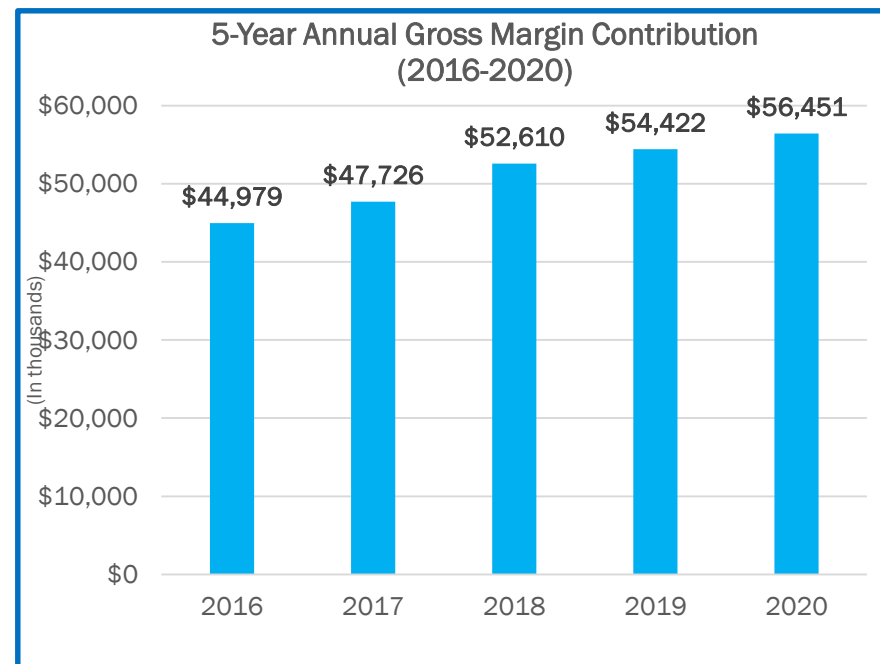
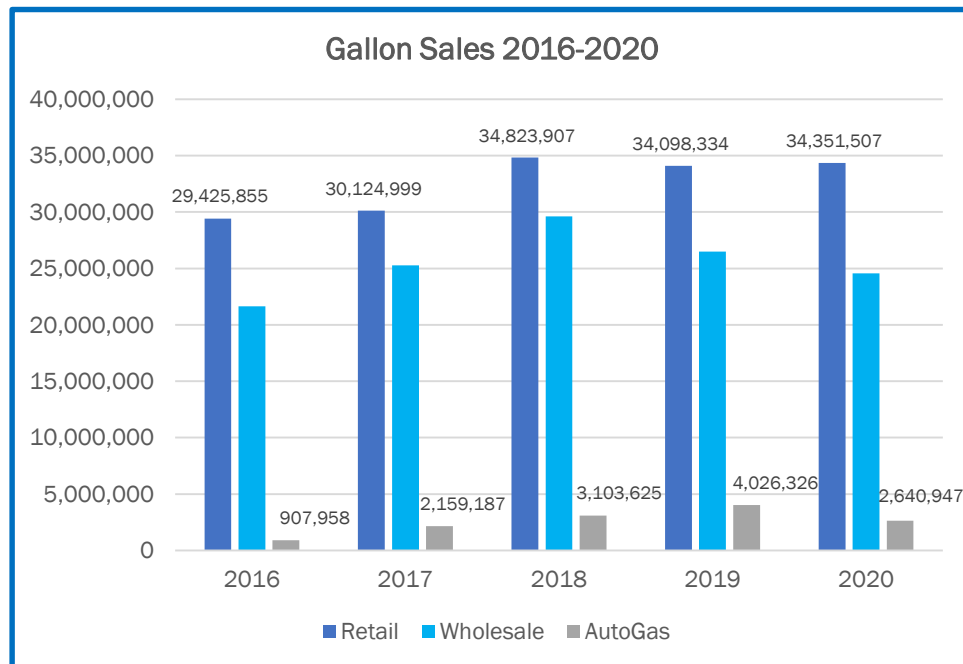
Project	Capital Investment	Fully In-Service	Annual Gross Margin Estimate
West Palm Beach County	\$29.1 million	2021 Third Quarter	\$5.2 million
DelMar Energy Pathway	<div> <div> \$46.9 million (1) \$14.1 million (2) </div> <div>\$61.0 million</div> </div>	2021 Fourth Quarter 2022 Third Quarter	\$6.7 million
Guernsey Power Station	\$6.0 million	2021 Fourth Quarter	\$1.5 million
Callahan Pipeline (JV)	\$33.5 million CPK 50%	2020 Second Quarter	\$7.6 million

(1) ESNG Gas Transmission

(2) Delmarva Gas Distribution

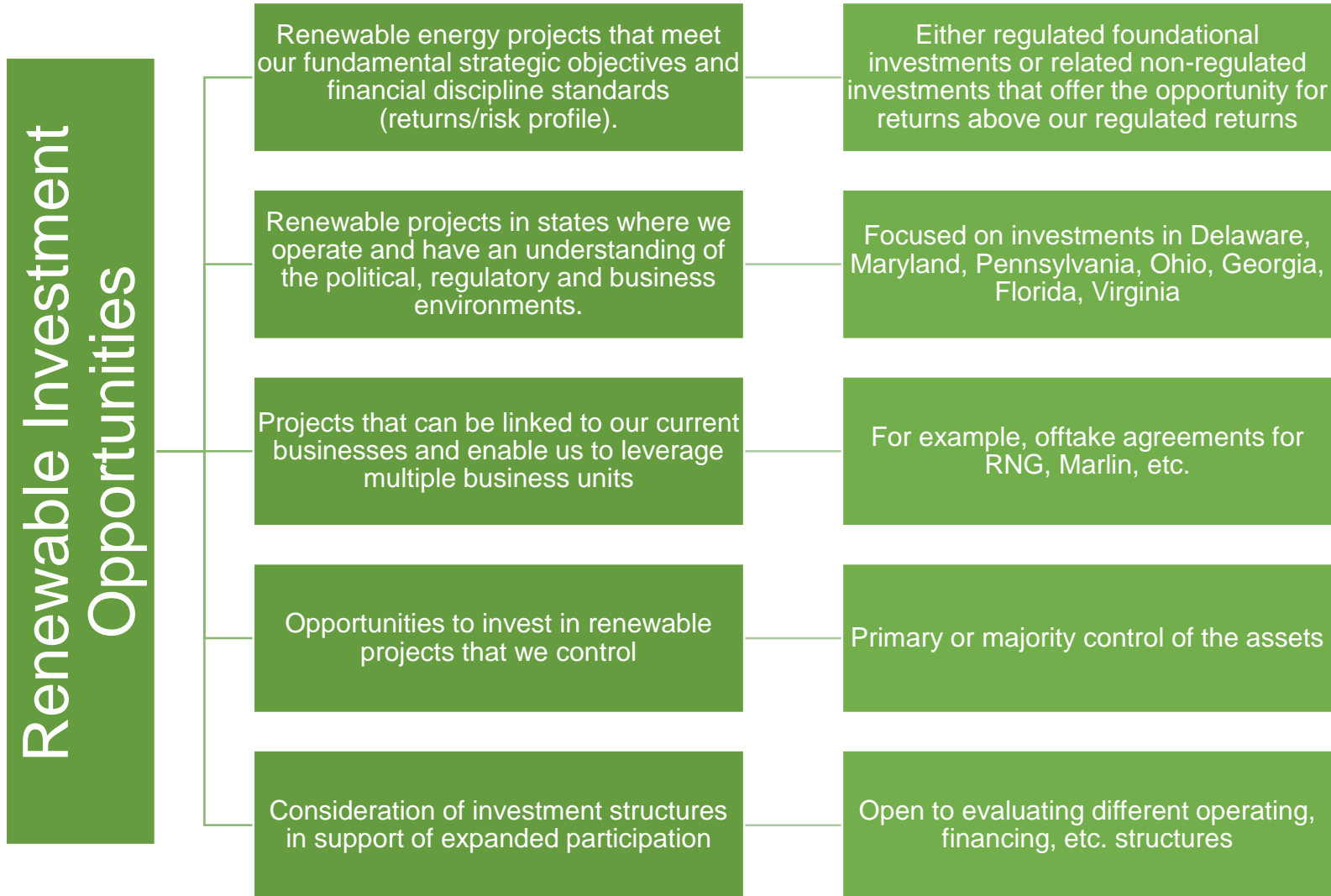
Total Pipeline Project Investments of \$130 million generates incremental gross margin of \$21 million, including distribution margin currently identified with the project.

Expanding Our Propane Presence Significant Growth & Margin Contributions over the Last Five Yrs.



In addition to the above growth, our propane operations have continued to maximize the functionality and utilization of our storage assets to further enhance our retail propane margins.

Renewable Investment Opportunities



Two Significant RNG and related Investment Opportunities RNG and Organic Fertilizer Production from Poultry Waste

Westover, Maryland

- CPK existing agreement to own the gas processing equipment
 - Option to convert investment to equity in the total project
 - Negotiating the economic and governance terms with Clean Bay and other equity investors
- Anticipated project in-service date of Q4 2023
- Other contracts executed: Marlin Gas Transport, ESNG's interconnect and purchase of Blue gas for delivery to our DNG customers
- Potential conventional gas supply to Westover via our DNG unit and potentially as part of our DelMar Energy Pathway project
- Looking at solar investment opportunities
- Could be largest MD customer in terms of usage

Georgetown, DE

- In discussion with Clean Bay on the second Delmarva RNG facility which is under development in Sussex County, Delaware.
- Similar services and investment opportunities expected.

***Total Chesapeake Range of
New RNG Investment Opportunities:***

***\$50-\$75M including gas transport,
transmission and distribution***

***Future Margin Estimates to be
provided as details are finalized***

On Delmarva, BioEnergy Devco is constructing a poultry waste RNG facility in Sussex County, Delaware

BioEnergy has a twenty year supply contract with privately held poultry integrator, Perdue Farms, to deliver poultry waste from hatcheries, processing offal and wastewater.

The County Commission has recently approved the BioEnergy Devco conditional land use permit.

Chesapeake will transport the gas via Marlin to ESNG's interconnect where it will be transported to our distribution customers. We are evaluating the opportunity to own and operate the gas processing equipment at the plant site.

Our investment in the project is estimated at approximately \$5 million for gas transport and up to an additional \$10 million under consideration for gas processing. In-service is anticipated in late 2022.



An artist's rendering shows the location of the four anaerobic digesters behind the former composting plant, which will be repurposed as part of the project.

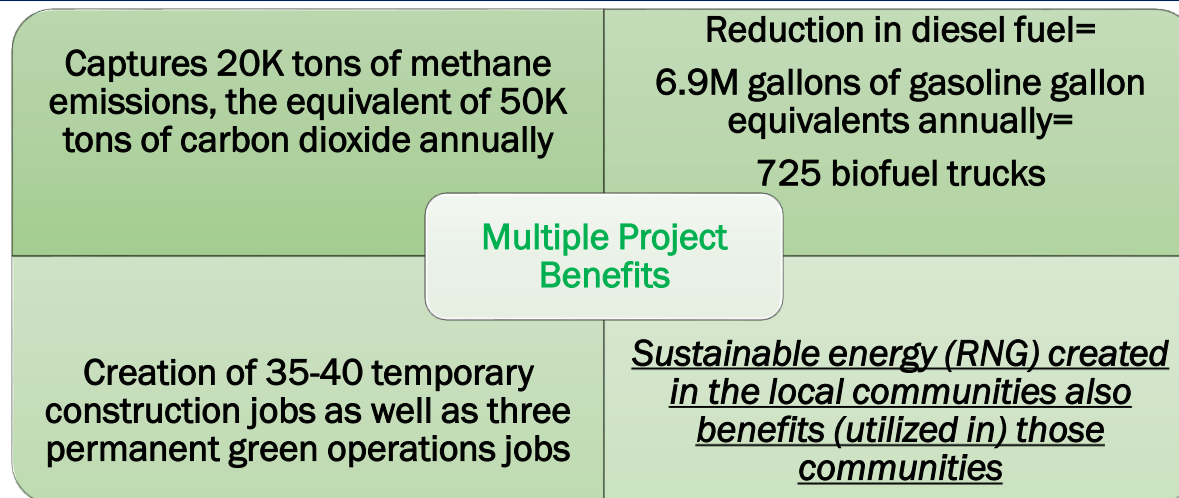
BIOENERGY DEVCO GRAPHIC

Joint Project with Fortistar & Rumpke Waste & Recycling

- **Project Developers:** Fortistar and Rumpke Waste & Recycling
- **Project Description:** Construction of the *Noble Road Landfill Renewable Natural Gas (RNG) Project*, a \$33 million transportation decarbonization project in Shiloh, Ohio.

Waste methane from the landfill will be captured, extracted and transformed into RNG

- **Our Role:** RNG will be distributed through Chesapeake Utilities' affiliate Aspire Energy's pipelines. The fuel will be dispensed in fueling stations for natural gas vehicles via *Trustar Energy*, a Fortistar portfolio company.



Marlin Gas Services

Recent and Planned CNG Opportunities

Temporary CNG Services

Miami CNG Transit Bus Fleet

- Finishing an eight month deployment to service the City of Miami transit bus fleet.
- At peak, Marlin was fueling 160 CNG buses a day before the permanent pipeline and CNG fueling facilities were in place.
- Marlin's CNG service enabled early delivery of the buses and an earlier than anticipated significant reduction in diesel emissions.

Permanent CNG Services

Savannah Public CNG Vehicle Fueling Station

- Construction of the Savannah public CNG vehicle fueling and Marlin staging facility proceeding on schedule for an October 2021 in-service.
- Largest CNG fueling facilities on the east coast, with capacity to fuel 185 semi-trucks per day. Interest in CNG, and providing Renewable CNG, is very high.
- Currently working with several RNG marketers along with exploring opportunities to develop regional RNG production to serve the Savannah station.

Advanced Compression Facilities

- Took delivery of its new ANSI 4-stage compressor unit
- Enables Marlin to offer a methane capture service to pipelines and utilities that need to remove a pipeline segment from service to provide maintenance or integrity work
- Rather than releasing the methane to the atmosphere, Marlin can receive the gas at almost any line pressure, compress it to CNG pressures and transfer it to a tanker.
- The gas can then be reintroduced at another point on the pipeline system.

New LNG Tankers

- Four new LNG tankers to provide an expanded array of services to customers requiring larger gas quantities

Internal Fleet Conversion

- Continuing our fleet conversion at Marlin from diesel fuel to compressed natural gas
- Eight new CNG tractor cabs will be delivered in July

Diluted Earnings per Share Guidance Continuing Operations

Strategic Capital Investments
Continue to Drive Earnings Growth

8-Year CAGR EPS Growth 9.7% to 10.1%

Diluted Earnings per Share from Continuing Operations



*2017 Adjusted for TCJA Impact

** CPK does not endorse nor confirm analyst estimates

Recent Regulatory Initiatives

Florida GRIP

- Replaced 333 miles of main
- Invested \$174 million since 2012
- Including \$8 million of new pips during first quarter of 2021
- Expected to generate \$16.7M in gross margin in 2021

Hurricane Michael

- Refund the over-collection of interim rates through the fuel clause
- Record regulatory assets for storm costs in the amount of \$45.8 million including interest which will be amortized over six years
- Recover these storm costs through a surcharge for a total of \$7.7 million annually
- 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 Surcharges

- ESNG Capital Cost Surcharge Programs to recover highway or railroad relocation projects to produce gross margin of \$1.4 million in 2021 and \$2.4 million in 2022

COVID-19

- COVID – 19 Cost Recovery established regulatory assets totaling \$1.6 million associated with the net incremental expense impacts, as authorized by the Delaware and Maryland PSCs, and initially provided by the Florida PSC

Recent State Level Governmental Affairs Activities

Florida Activity

Energy Preemption Bill

- Filed by the Florida Natural Gas Association (FNGA).
- Has cleared both chambers and is waiting on signature from the Governor.
- Restricts local governments from limiting energy choice for consumers.
- Retroactive implementation.

Renewable Energy Bill

- Filed by Chesapeake Utilities.
- Has cleared both chambers and is waiting on signature from the Governor.
- Defines Biogas, Renewable Natural Gas (RNG).
- Amends the definition of Renewable Energy to include RNG as a source.
- Provides for RNGs use in transportation, electric generation, and injection into gas distribution systems.
- Authorizes the PSC to approve cost recovery for RNG contracts that exceed market rates under certain conditions.
- Prospective implementation (July 1, 2021).

Ohio Energy Preemption Bill

- Ohio HB 201
- State Energy preemption legislation to prevent towns and municipals from banning natural gas passed the Ohio House in a 64-32 favorable vote
- The bill is now in the Ohio Senate Energy & Public Utilities Committee awaiting a hearing.

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

- 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.



Earth Day

Lineworker Appreciation Day



Happy Ramadan



Happy Cinco De Mayo

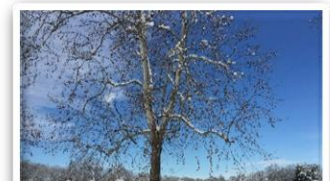


Developmental
Disabilities Month

Women's History Month



National Gas Workers Day



World Wildlife Day

Committed to equity, diversity and inclusion

Embracing a Culture where all are welcome



Awarded a top work place for 9 consecutive years and national top work place in 2021



29 safety achievement awards



Through our 10-year Aspiring Scholars Program, 111 Chesapeake children of Company employees were selected to receive scholarship funds toward their studies at an accredited college, university or post-secondary education technical school.



Chesapeake Utilities for Best Company Over 50 People

We are committed to pursuing top quartile performance while meeting customer demand and ensuring a more sustainable future.

Commitment to Safety

Meet customer demand across the energy value chain while providing solutions that further increase the sustainability of our communities

Innovative Solutions and Focus on Energy Transformation

Energized Team that is Customer and Community Focused

Above average customer growth; opportunities for continued expansion

Continued growth via our identified Platforms for Growth

\$750M-\$1B of new capital investments from 2021-2025

Extended and expanded EPS guidance of \$6.05-\$6.25 for 2025

ROE target of 11% or greater

Continue dividend growth supported by earnings growth

Target top quartile shareholder return

Continuing our Long-term Record of Success

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



Thank You



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

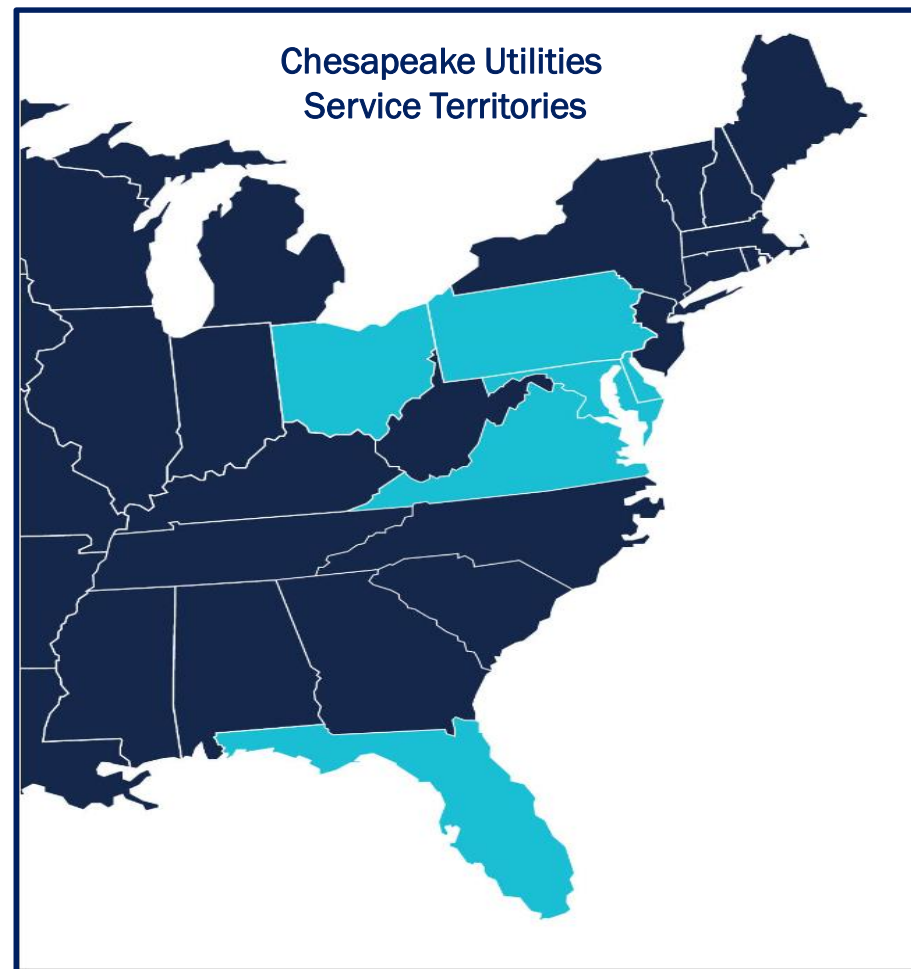
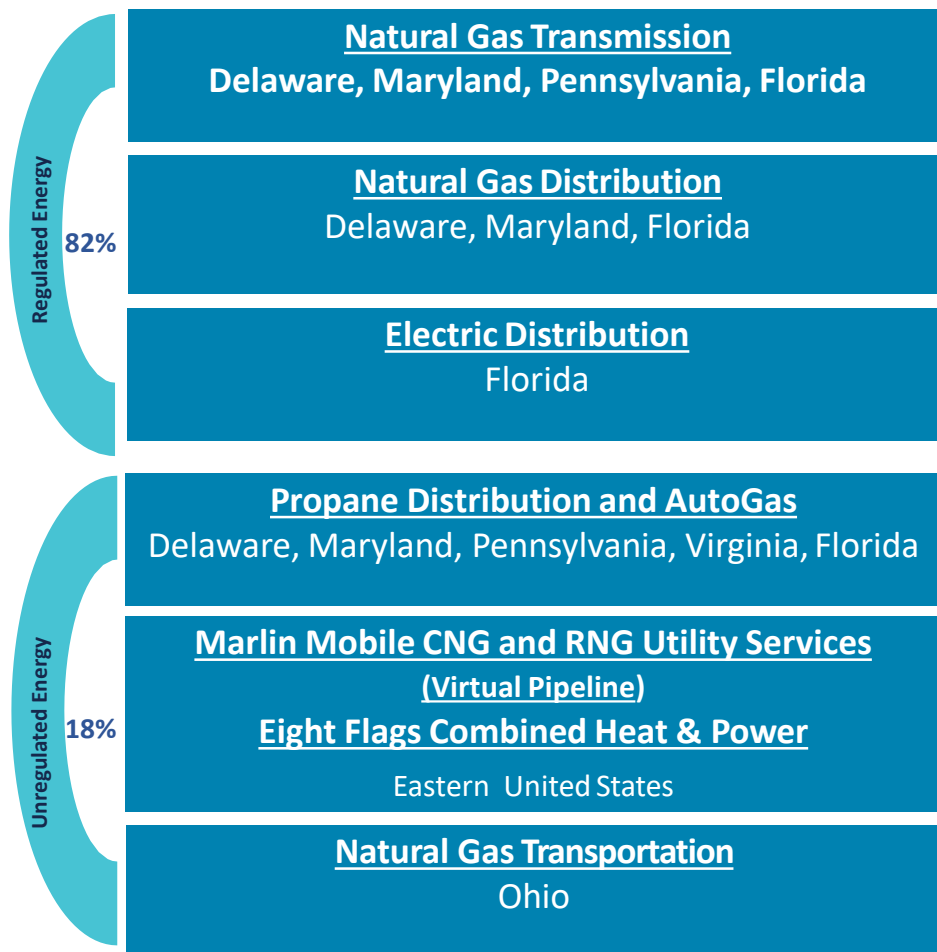


Appendix

Business Overview and Financial Results

Business Overview

Diversified Energy Delivery Business



Operating Income from Continuing Operations						
For the Years Ended December 31,						
(in thousands)	2020	2019	2018	2017	2016	2015
Regulated Energy	\$ 92,124	\$ 86,584	\$ 79,215	\$ 74,584	\$ 71,515	\$ 62,137
Unregulated Energy	20,664	19,939	17,124	14,941	11,732	14,244
Other businesses and eliminations	(65)	(236)	(1,496)	205	402	418
Total Operating Income from Continuing Operations	\$ 112,723	\$ 106,287	\$ 94,843	\$ 89,730	\$ 83,649	\$ 76,799

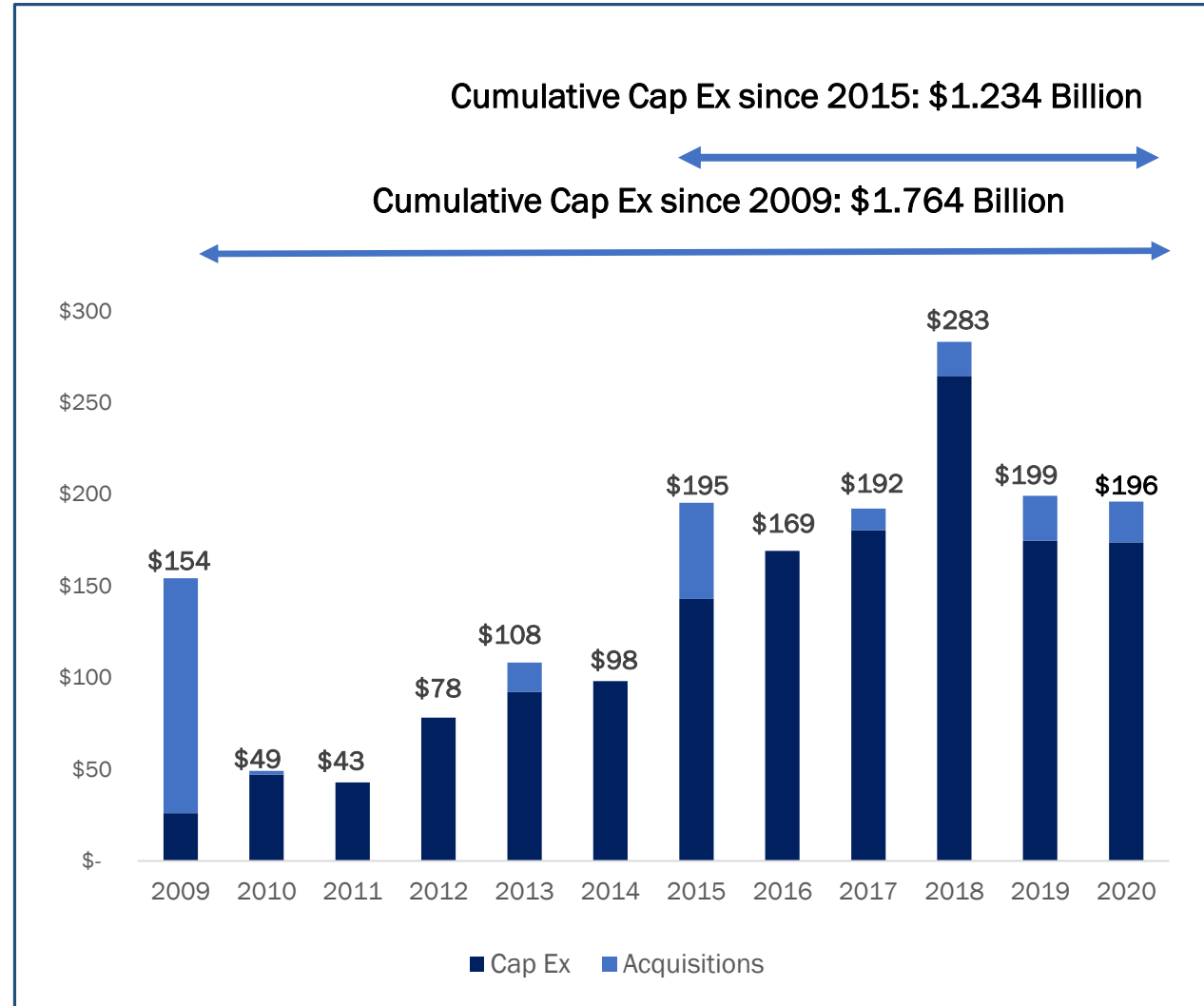
Capital Investment Has Driven Our Earnings Growth

Historical Cap Ex & Acquisitions (In Millions)

*DelMar Energy Pathway Project
Somerset County, MD Expansion
(Currently Underway)*



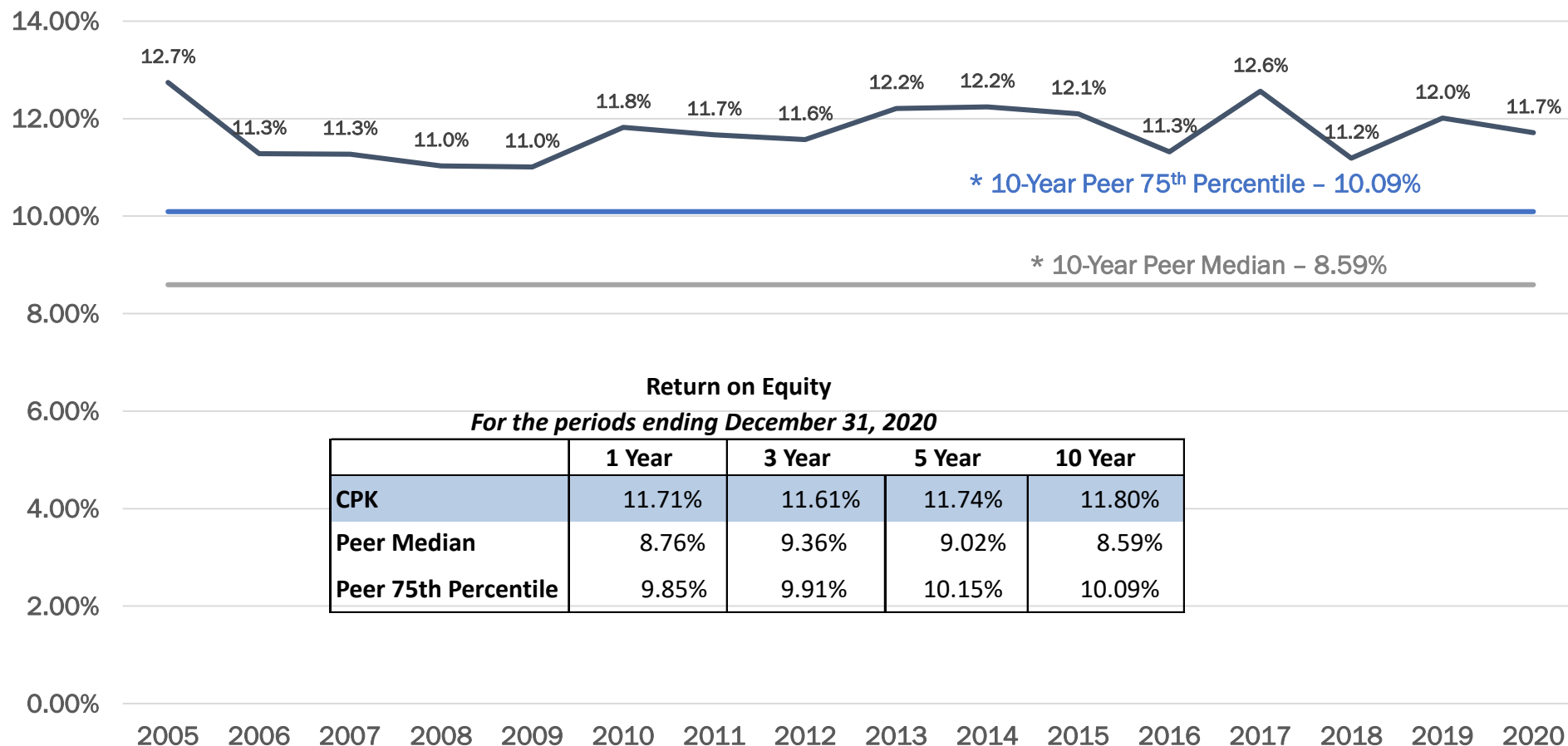
Photo Courtesy Tom Mahn



Solid Track Record of Return on Equity (ROE)

Consistently Exceeding the Peer Median and 75th Percentile

ROE



Return on Equity

For the periods ending December 31, 2020

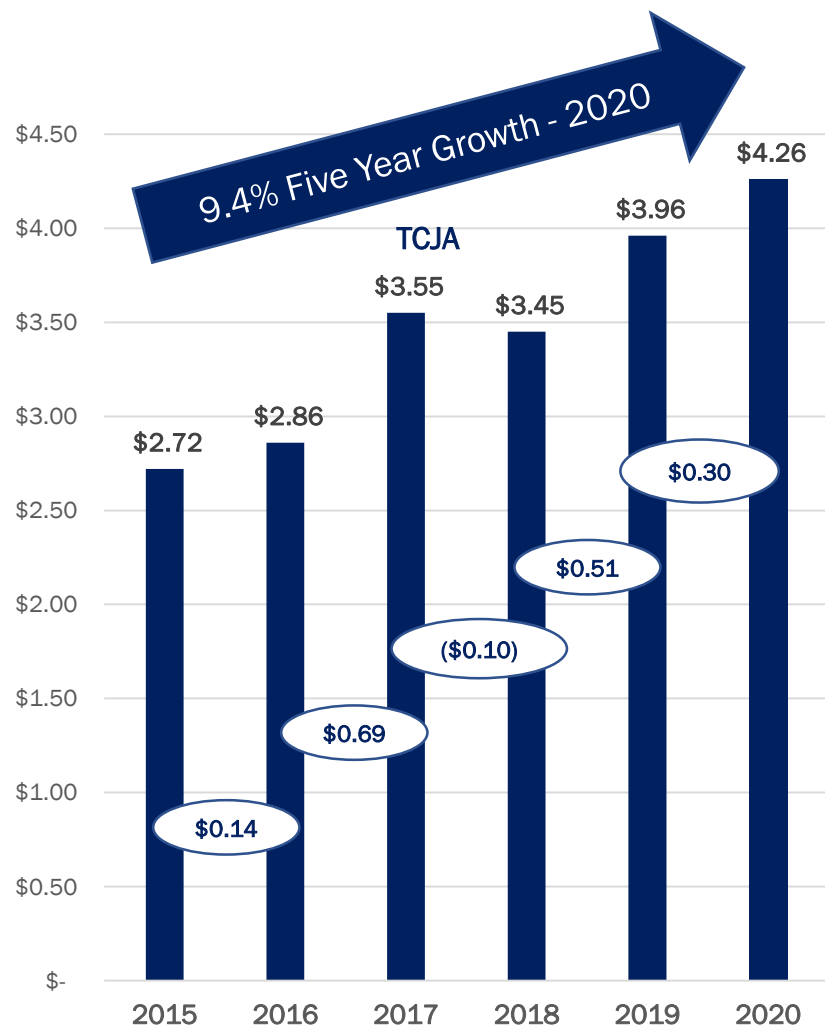
	1 Year	3 Year	5 Year	10 Year
CPK	11.71%	11.61%	11.74%	11.80%
Peer Median	8.76%	9.36%	9.02%	8.59%
Peer 75th Percentile	9.85%	9.91%	10.15%	10.09%

— CPK ROE as reported — Regulated Returns (peer median) — Regulated Returns (peer 75th percentile)

* Normal Comparative Peer Group

Growth in Earnings Drives Dividend Growth For Periods Ended December 31st

Diluted Earnings per Share



Annualized Dividends



First Quarter Financial Summary

For the quarters ended March 31, 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

Diluted EPS from Continued Ops

First Quarter		
2021	2020	
<u>\$ 116,890</u>	<u>\$ 99,820</u>	17.1%
\$ 51,597	\$ 42,134	22.5%
385	3,319	
(5,105)	(5,814)	
46,877	39,639	
(12,405)	(10,598)	
<u>\$ 34,472</u>	<u>\$ 29,041</u>	18.7%
\$1.96	\$1.77	10.7%

Return to more normal weather and customer consumption for the quarter increased gross margin by \$6.4 million

Expansion projects, customer growth, and pipeline replacements generated \$4.1 million in additional gross margin

Acquisitions (Elkton and Western Natural Gas) added \$1.8 million in incremental gross margin

CONTINUED PROFITABLE GROWTH INITIATIVES ACROSS ALL BUSINESS UNITS

First quarter 2021 earnings per share from continuing operations was \$1.96, an increase of \$0.19 or 10.7% compared to \$1.77 for the first quarter of 2020.

Hurricane Michael regulatory proceeding resulted in \$2.6 million in gross margin

Higher retail propane margins per gallon generated \$1.3 million in additional gross margin

Increased demand for Marlin CNG services added \$0.7 million in incremental gross margin

Major Projects and Initiatives

Margin Contribution

<i>in thousands</i>	Three Months Ended		Year Ended	Estimate for	
	March 31,		December 31,	Fiscal	
	2021	2020	2020	2021	2022
<u>Pipeline Expansions:</u>					
Western Palm Beach County, Florida Expansion	\$ 1,167	\$ 1,000	\$ 4,167	\$ 4,984	\$ 5,227
Del-Mar Energy Pathway	884	189	2,462	4,134	6,708
Callahan Intrastate Pipeline	1,887	-	3,851	7,564	7,598
Guernsey Power Station	47	-	-	514	1,486
Total Pipeline Expansions	3,985	1,189	10,480	17,196	21,019
CNG Transportation	2,077	1,347	7,231	7,900	8,500
Renewable Natural Gas ("RNG") Transportation	-	-	-	150	1,000
<u>Acquisitions:</u>					
Elkton Gas	1,312	-	1,344	3,992	4,200
Western Natural Gas	550	-	389	1,800	1,854
Total Acquisitions	1,862	-	1,733	5,792	6,054
<u>Regulatory Initiatives:</u>					
Florida GRIP	4,065	3,695	15,178	16,739	17,712
Hurricane Michael regulatory proceeding	2,575	-	10,864	11,014	11,014
Capital Cost Surcharge Programs	136	133	523	1,350	2,350
Total Regulatory Initiatives	6,776	3,828	26,565	29,103	31,076
Total	\$ 14,700	\$ 6,364	\$ 46,009	\$ 60,141	\$ 67,649

Increases (000's)

\$8,336

\$14,132

\$7,508

Note: Auburndale Pipeline (\$679K) and Boulden Acquisition (\$3,909K) fully in service in 2020 so have been removed from this Key Projects Table.

Capital Expenditures Forecast

Still on Track with 2021 Initial Guidance

(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
 2021
 Capital expenditures
 just under \$49 million**

2021 Key Projects:

Delmarva Natural Gas Distribution - Somerset County, Eastern Shore's Del-Mar Energy Pathway, Florida's Western Palm Beach County, Florida GRIP, natural gas distribution and transmission systems, natural gas and electric system infrastructure improvement activities, Marlin Gas Services' CNG transport growth and expansion into RNG and LNG transport, Bioenergy Devco RNG, CleanBay RNG, information technology systems, and other strategic initiatives and investments.

Capital Structure Overview

Strong Balance Sheet to Support Growth

Stockholders' equity	
Long-term debt, net of current maturities	
Total permanent capitalization	
Current portion of long-term debt	
Short-term debt	
Total capitalization and short-term financing	
Equity to Permanent Capital	
Equity to Total Capitalization	
New Long-Term Debt Issuance	
Net New Equity Issuance	

	03/31/21	12/31/2020
Stockholders' equity	\$ 726,388	\$ 697,085
Long-term debt, net of current maturities	508,525	508,499
Total permanent capitalization	\$ 1,234,913	\$ 1,205,584
Current portion of long-term debt	13,600	13,600
Short-term debt	156,123	175,644
Total capitalization and short-term financing	\$ 1,404,636	\$ 1,394,828
Equity to Permanent Capital	58.8%	57.8%
Equity to Total Capitalization	51.7%	50.0%
New Long-Term Debt Issuance	\$ -	\$ 90,000
Net New Equity Issuance	\$ 2,522	\$ 89,700

Long-Term Debt
Avg. Interest
Rate - 3.62%

Short-Term Debt
Avg. Interest
Rate - 1.20%

Within
our target
equity range

Issuances
Full Year 2020

- Stockholders' Equity increased \$29.3 million during the first quarter of 2021 primarily driven by:
 - Retained Earnings increased \$26.6 million
 - Dividend Reinvestment and Stock Compensation Plans increased \$2.5million