AGA FINANCIAL FORUM

May 15 – 17, 2016

TOGETHER WE ASPIRE, TOGETHER WE GROW.

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 2015 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: 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.

Financial Results

For the Year 2015 and Year-to-Date 2016

Chesapeake Utilities Corporation

2015 Financial Achievements

Increased Shareholder Value

- Dividend Growth 6.5%
- Total Shareholder Return 16.7%
- Capital Expenditures $195 Million
- Return on Equity 12.1%
- Over $1.0 Billion in Assets
- EPS Growth 10.1% — 9th Consecutive Record Year
- EPS $2.72 — Net Income $41.1 million
- Market Capitalization $867 Million *

* Market Capitalization is $964 million as of 3/31/16

2015 Fiscal Year

Financial Results

For the years ended December 31,
(in thousands except per share amounts)

	2015	2014
Operating Income		
Regulated Energy	$60,985	$50,451
Unregulated Energy	16,355	11,723
Other businesses and eliminations	418	105
Total Operating Income	77,758	62,279
Gain from sale of business	-	7,139
Other Income	293	101
Interest Charges	10,006	9,482
Income Before Taxes	68,045	60,037
Income Taxes	26,905	23,945
Net Income	$41,140	$36,092
Diluted Earnings Per Share	$2.72	$2.47

Results

- Earnings per share increased in 2015 by $0.25 or 10.1 percent over 2014 to $2.72 per share.
- Growth in both regulated and unregulated energy segments generated record financial results.

Year to Date 2016 Financial Results

First Quarter 2016 Performance Summary

For the periods ended March 31,
(in thousands except per share amounts)

	1Q16	1Q15	Change
Operating Income			
Regulated Energy segment	$ 24,319	$ 22,182	$ 2,137
Unregulated Energy segment	11,936	15,229	(3,293)
Other businesses and eliminations	125	97	28
Total Operating Income	36,380	37,508	(1,128)
Other Income / (loss)	(34)	133	(167)
Interest Charges	2,650	2,448	202
Income Before Taxes	33,696	35,193	(1,497)
Income Taxes	13,329	14,084	(755)
Net Income	$ 20,367	$ 21,109	(742)
Diluted Earnings Per Share	$ 1.33	$ 1.44	$ (0.11)

Results

- Net income declined by 3.5% compared to the first quarter of 2015
- Diluted EPS of $1.33, representing a $0.11 per share decrease, or 7.6%
- The impact of warmer weather on the Company's natural gas and propane distribution operations reduced EPS by $0.27 per share in the first quarter 2016 compared to the first quarter 2015
- Warmer than normal temperatures reduced the quarter's EPS by $0.16

Regulated Energy Segment Results

First Quarter 2016 Performance Summary

(in thousands)

For the periods ended March 31,	1Q16	1Q15	Change
Revenue	$ 89,216	$ 109,582	$ (20,366)
Cost of Sales	34,905	57,129	(22,224)
Gross Margin	54,311	52,453	1,858
Operations & Maintenance	20,460	21,283	(823)
Depreciation & Amortization	6,296	5,900	396
Other Taxes	3,236	3,088	148
Other Operating Expenses	29,992	30,271	(279)
Operating Income	$ 24,319	$ 22,182	$ 2,137

Results

- **Operating income increased by $2.1 million, or 9.6% to $24.3 million**
- **Gross Margin increased by $1.9 million primarily due to:**
  - **Natural gas transmission expansions (+$1.9 million)**
  - **Florida GRIP (+$1.1 million)**
  - **Natural gas customer growth (+$745,000)**
  - **Lower margin due to significantly warmer weather in the first quarter of 2016 (-$2.4 million)**

CHESAPEAKE UTILITIES CORPORATION

Unregulated Energy Segment Results

First Quarter 2016 Performance Summary

(in thousands)

For the periods ended March 31,	1Q16	1Q15	Change
Revenue	$ 57,516	$ 60,996	$ (3,480)
Cost of Sales	34,415	35,677	(1,262)
Gross Margin	23,101	25,319	(2,218)
Operations & Maintenance	9,389	8,557	832
Depreciation & Amortization	1,183	1,051	132
Other Taxes	593	482	111
Other Operating Expenses	11,165	10,090	1,075
Operating Income	$ 11,936	$ 15,229	$ (3,293)

Results

- **Operating income decreased by $3.3 million to $11.9 million**
- **Gross Margin decreased $2.2 million primarily due to:**
  - **Lower propane consumption due to warmer weather (-$4.3 million)**
  - **Lower retail propane margins that migrated to more normal, anticipated levels (-$1.8 million)**
  - **Aspire Energy of Ohio (+$4.2 million), acquired on April 1, 2015; and therefore not included in prior year first quarter results**
- **Higher operating expenses included $1.6 million related to Aspire Energy of Ohio, partially offset by $436,000 in lower incentive compensation accruals**

Reconciliation of 2016 Results Year-to-Date

Key variances for the three months ended March 31, 2016 vs. 2015 included:

(in thousands, except per share)	Pre-tax Income	Net Income	Earnings Per Share
First Quarter of 2015 Reported Results	$ 35,193	$ 21,109	$ 1.44
Adjusting for unusual items:			
Weather impact	(6,656)	(3,992)	(0.27)
	(6,656)	(3,992)	(0.27)
Increased Gross Margins:			
Regulated energy segment	3,800	2,280	0.16
Unregulated energy segment	(1,837)	(1,102)	(0.07)
	1,963	1,178	0.09
Increased Other Operating Expenses	(23)	(14)	-
Net contribution from Aspire Energy, including impact of shares issued	2,633	1,676	0.06
Interest Charges and Net Other Charges	586	410	(0.01)
First Quarter of 2016 Reported Results	$ 33,696	$ 20,367	$ 1.33

First Quarter Weather Impacts

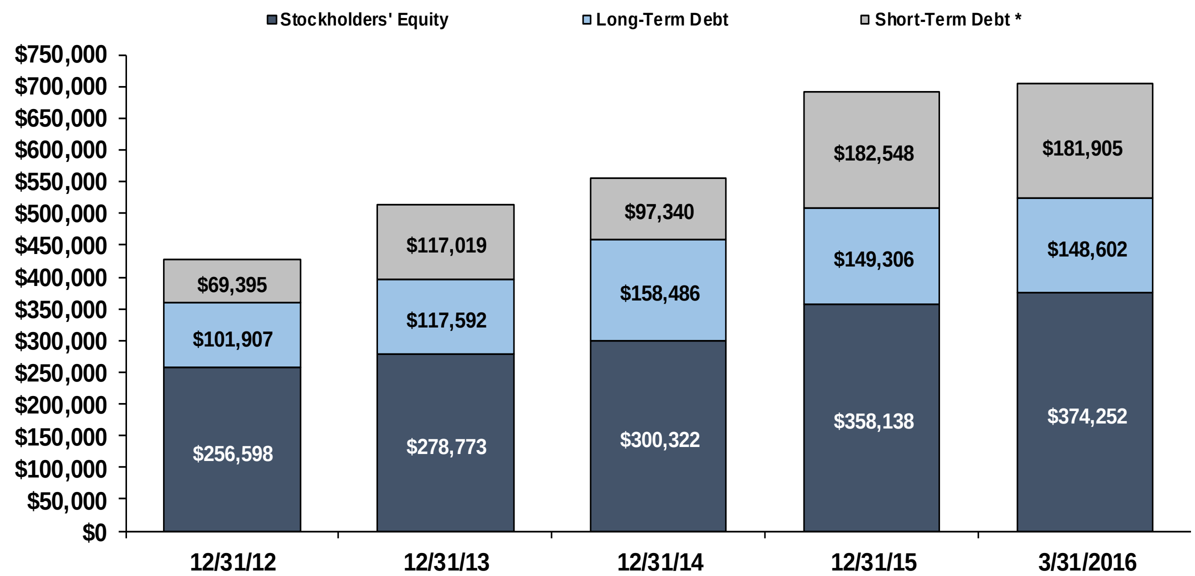
- **Colder than normal 2015**
  - **Increased EPS $0.08**
  - **Normalized EPS of $1.36**
- **Warmer than normal 2016**
  - **Decreased EPS $0.16**
  - **Normalized EPS of $1.49**
- **Net change of $0.13 per share due to growth**

CHESAPEAKE UTILITIES CORPORATION

Total Capitalization

Historical Structure and Increased Debt Capacity

(in thousands)



Equity/Permanent Capitalization	71.6%	70.3%	65.5%	70.6%	71.6%
Equity/Total Capitalization	60.0%	54.3%	54.0%	51.9%	53.1%

Short-term debt includes current portion of long-term debt.

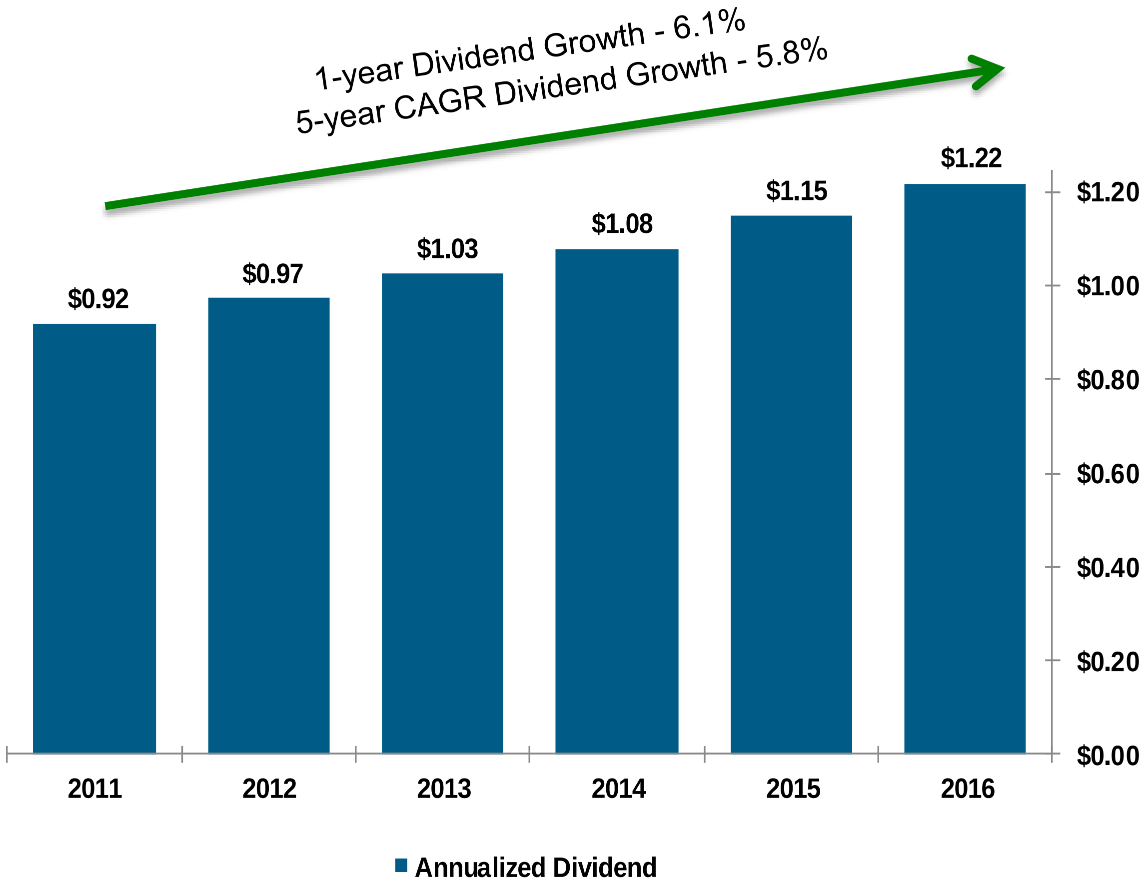
Target Capital Structure: 50% to 60% Equity to Total Capitalization

Debt Capacity Available:

- **Private Placement Shelf Agreement with Prudential**
  - **$150 million**
  - **Available for three years**
  - **Issue Notes up to 15 years**
  - **$0 committed as of 3/31/16**
- **Bank Revolving Credit Agreement**
  - **$150 million commitment**
  - **Available for five years**
  - **$40 million outstanding as of 3/31/16**
- **Bank Lines of Credit**
  - **$170 million commitment**
  - **Available through 12/31/16**
  - **$133 million outstanding as of 3/31/16**

Continuous Dividend Growth

We are committed to providing superior dividend growth that is supported by earnings growth



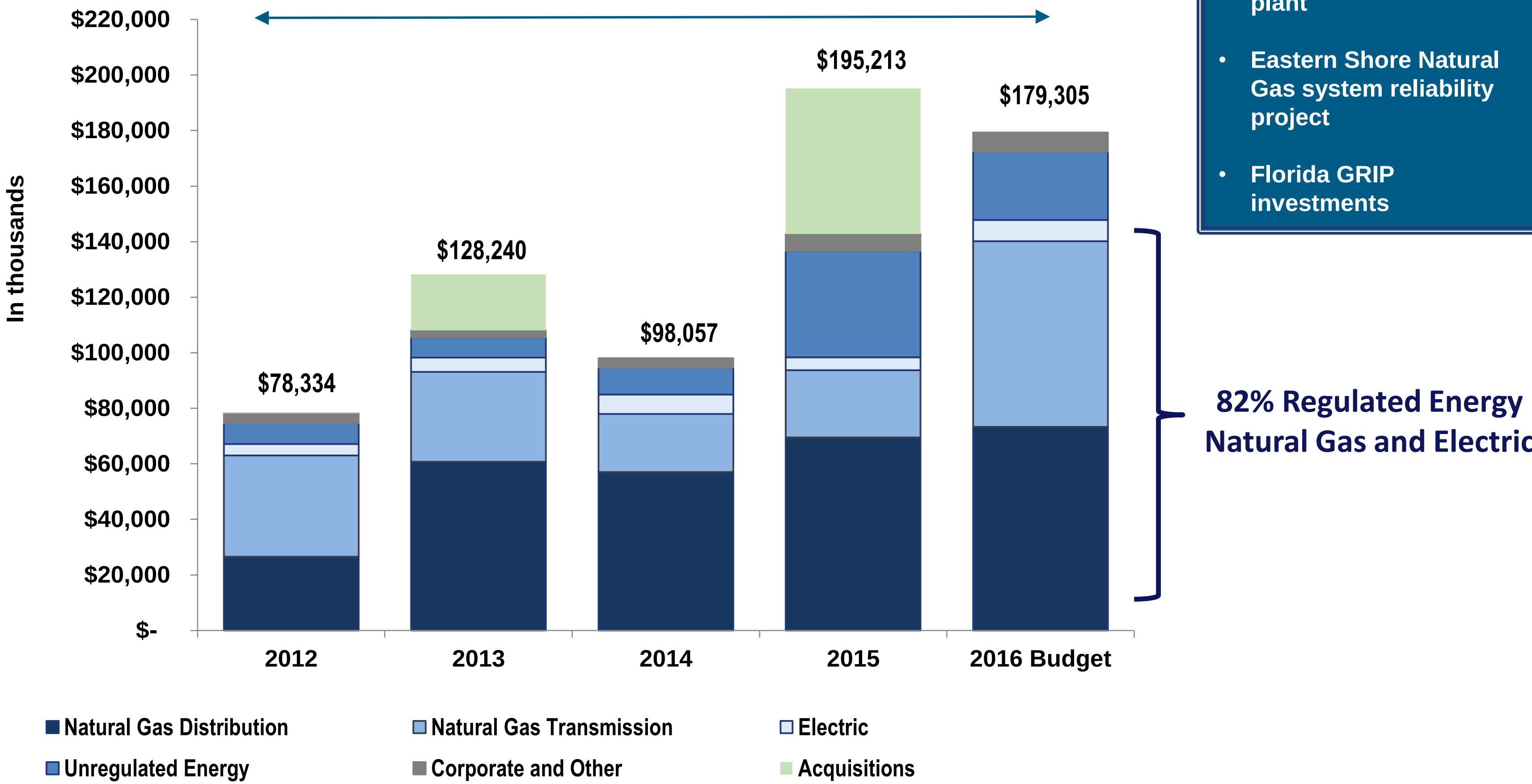
- The Board increased the annualized dividend by $0.07 or 6.1% on May 4, 2016.
- We have delivered 5.8% five year compound annual dividend growth in our dividend, while continuing to invest in the business to generate future earnings and dividend growth.
- As of March 31st, we have a five year compound annual earnings per share growth rate of 6.9%.

CHESAPEAKE UTILITIES CORPORATION

Continuing to Build for the Future

Capital Expenditures

Cumulative Expenditures and Acquisitions of $679 Million (2012 through 2016 Budget)



Major Projects Underway:

- Eight Flags CHP plant
- Expansion of facilities to serve Calpine power plant
- Eastern Shore Natural Gas system reliability project
- Florida GRIP investments

CHESAPEAKE UTILITIES CORPORATION

Gross Margin Highlights

Major Projects and Initiatives Summary

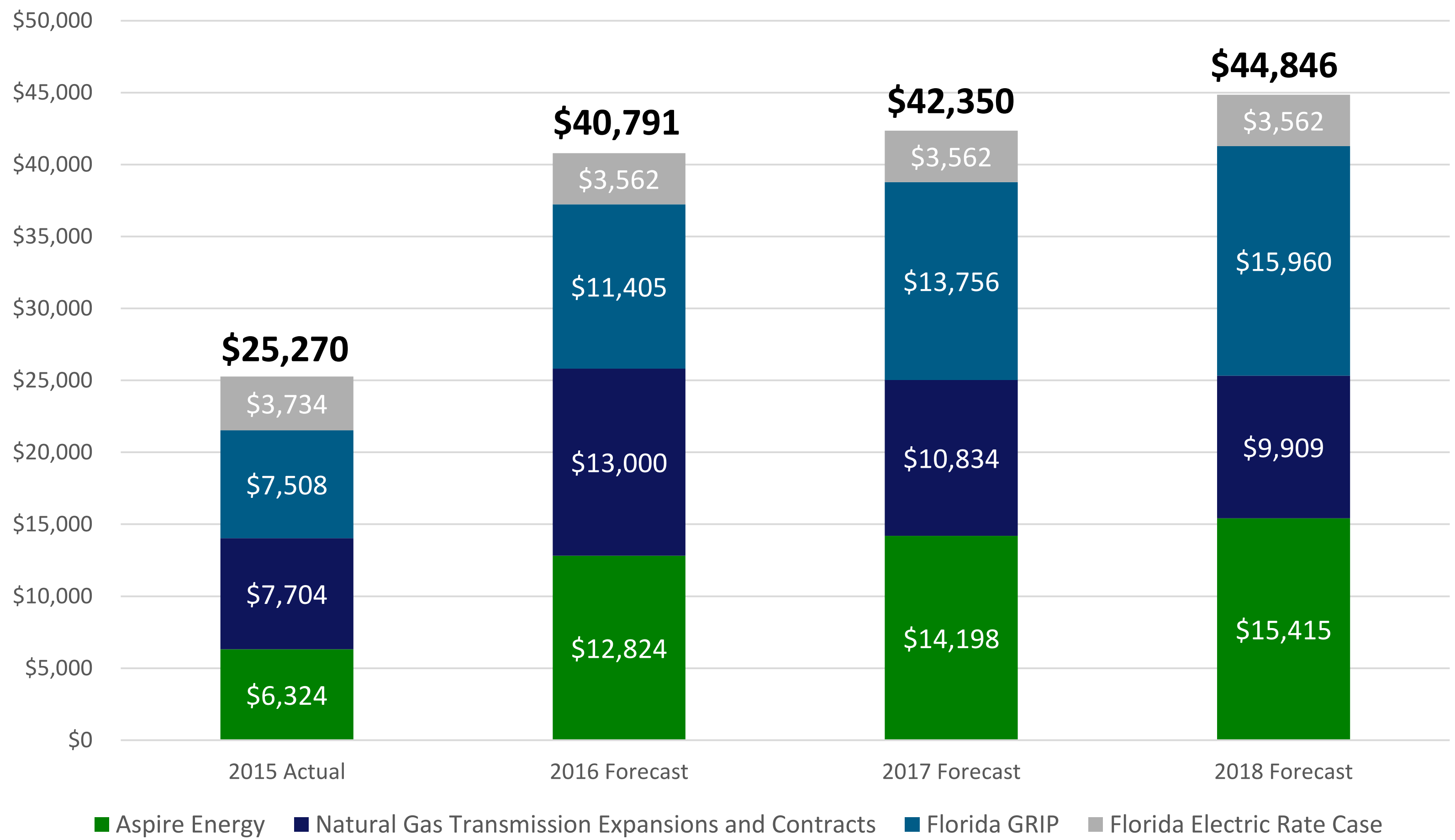
	Gross Margin for the Period					
	Three Months Ended March 31,		Total 2015	Estimate for		
	2016	2015	Margin	2016	2017	2018
Existing major projects and initiatives	$ 11,445	$ 4,149	$ 25,270	$ 40,791	$ 42,350	$ 44,846
Major projects and initiatives underway	—	—	—	3,700	9,550	11,800
	$ 11,445	$ 4,149	$ 25,270	$ 44,491	$ 51,900	$ 56,646

- Actual and Expected Margin Increases:
  - $19.2 million increase in 2016 over 2015
  - $7.4 million in projected margin growth from disclosed projects for 2017
- Existing projects include Aspire Energy of Ohio, natural gas transmission expansions, GRIP and Florida rate case
- Projects underway include natural gas expansions, system reliability projects, and the Eight Flags Energy combined heat and power project ("CHP")

We are focused on developing new growth opportunities that will increase the margin growth in 2017 and beyond

Gross Margin Highlights

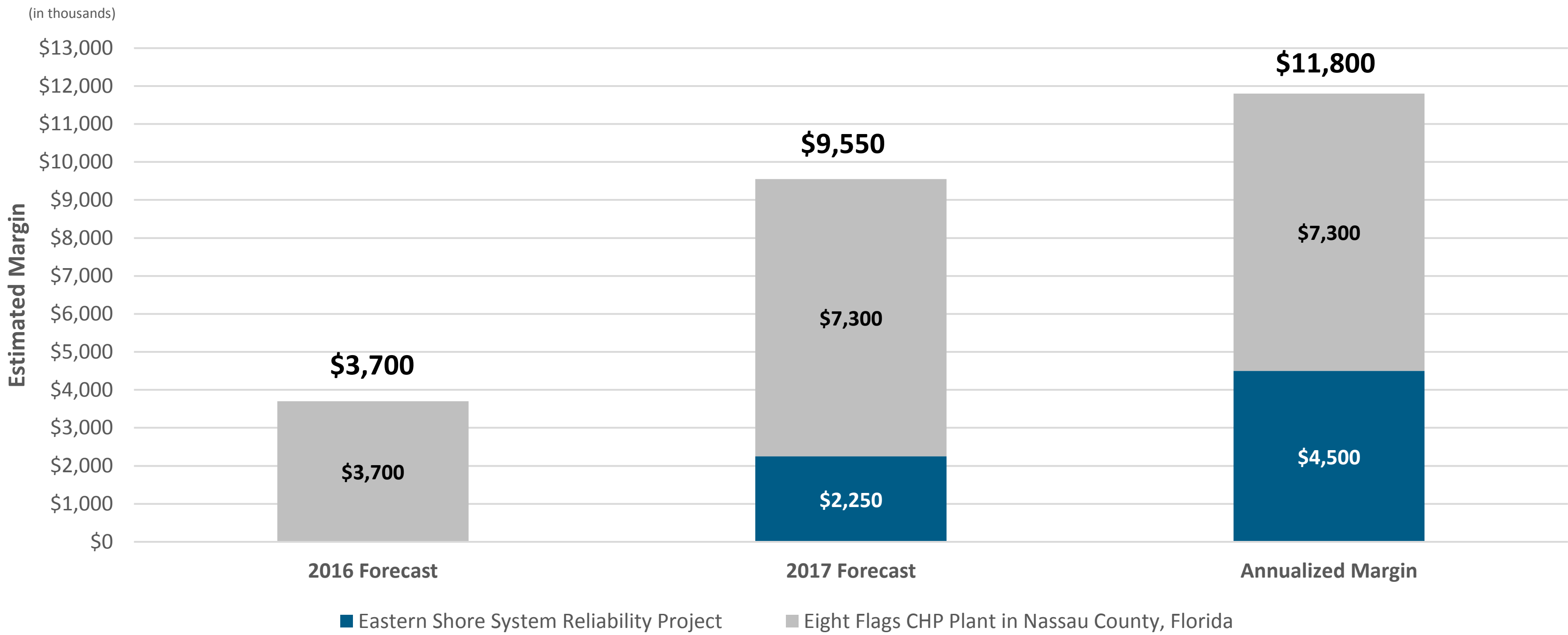
Existing Major Projects and Initiatives



Note: We have included the White Oak Mainline project margin in this table as we are currently providing a short-term OPT ≤ 90 service to Calpine through December 2016. The Mainline project will provide the requested capacity and firm service beginning in the first quarter of 2017.

Gross Margin Highlights

Major Projects and Initiatives Underway



	Estimated Margin for		
Project	**2016**	**2017**	**Annualized Margin**
Eastern Shore System Reliability Project	$ —	$ 2,250	$ 4,500
Eight Flags CHP plant in Nassau County, Florida	3,700	7,300	7,300
Total Major Projects and Initiatives Underway	$ 3,700	$ 9,550	$ 11,800

CHESAPEAKE UTILITIES CORPORATION

Long-Term Execution

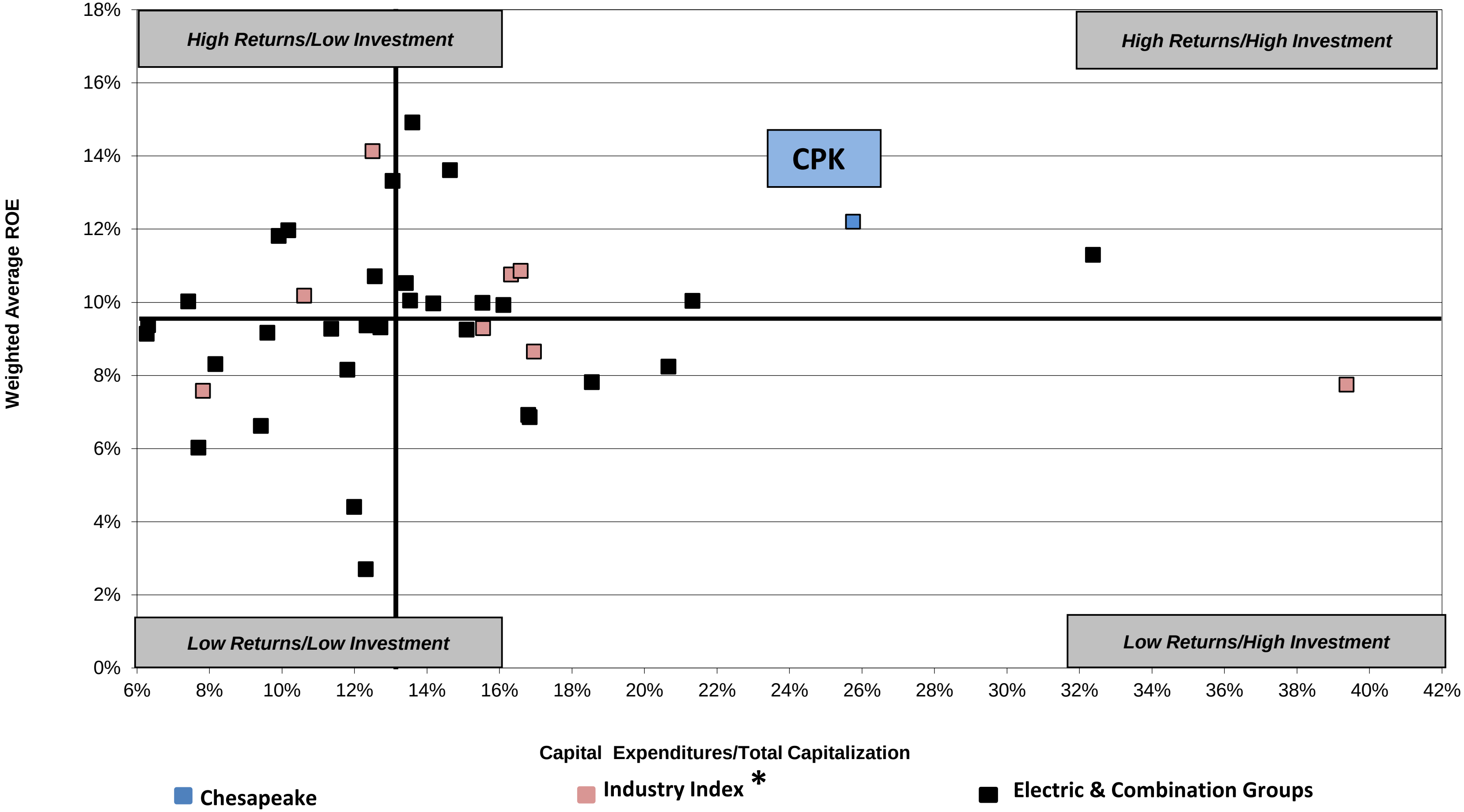
TOP WORK PLACES

CHESAPEAKE UTILITIES CORPORATION

Performance Quadrant

Peer ROE vs. Capital Expenditures

January 1, 2013 – December 31, 2015

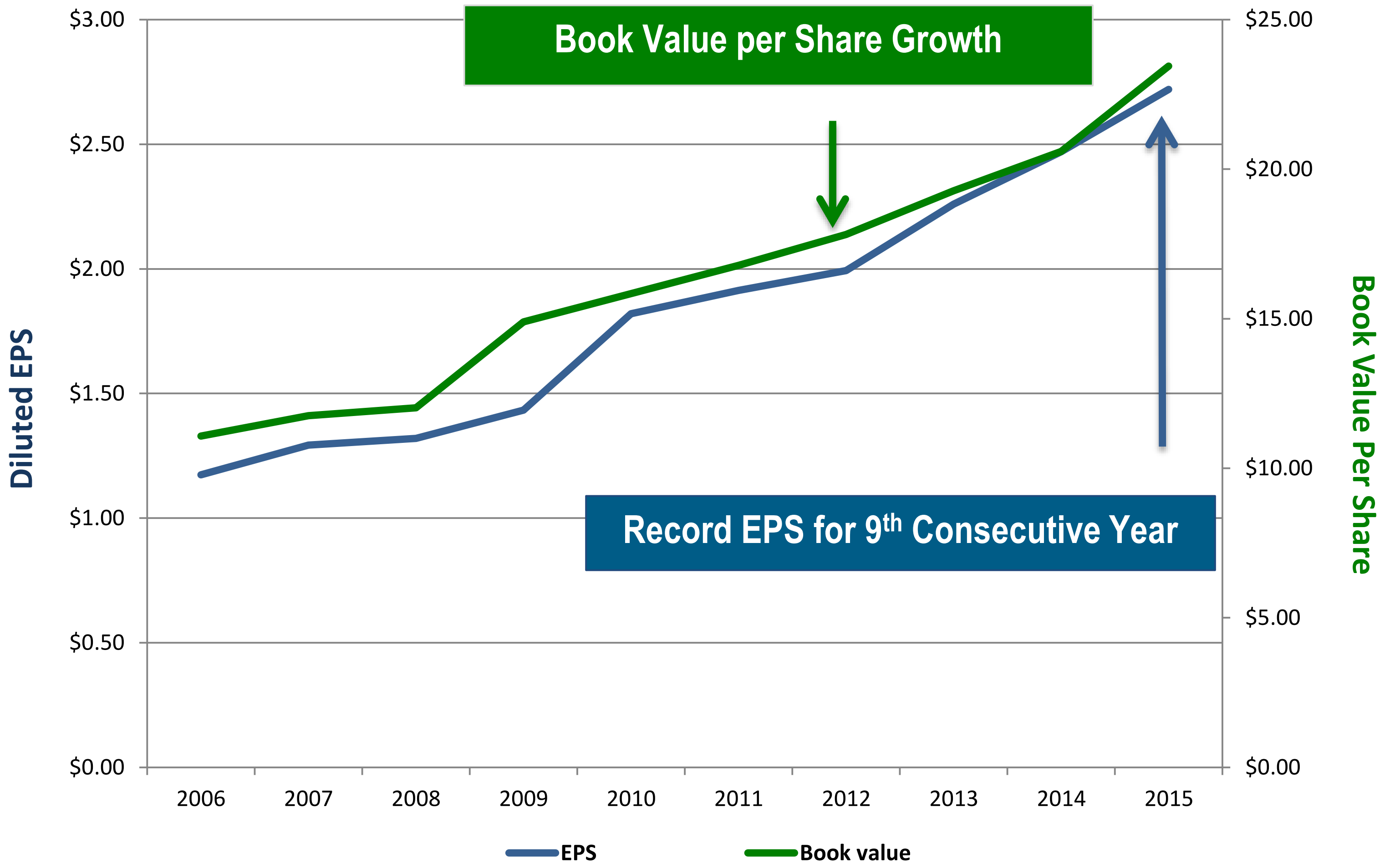


* *Includes companies previously a part of the Edward Jones Natural Gas Distribution peer group.*

Source: Bloomberg

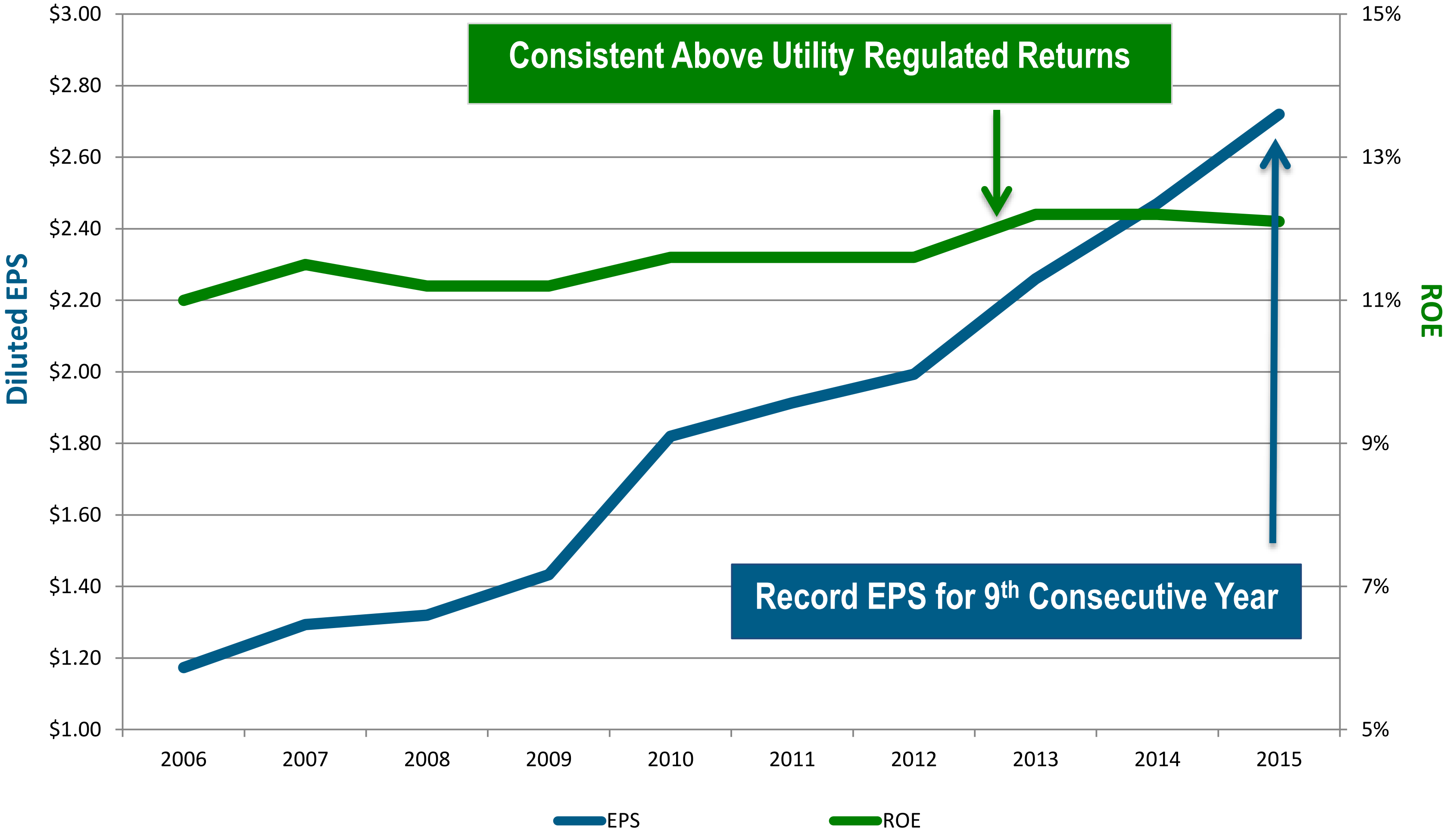
Generating Record Results

Book Value and EPS Growth



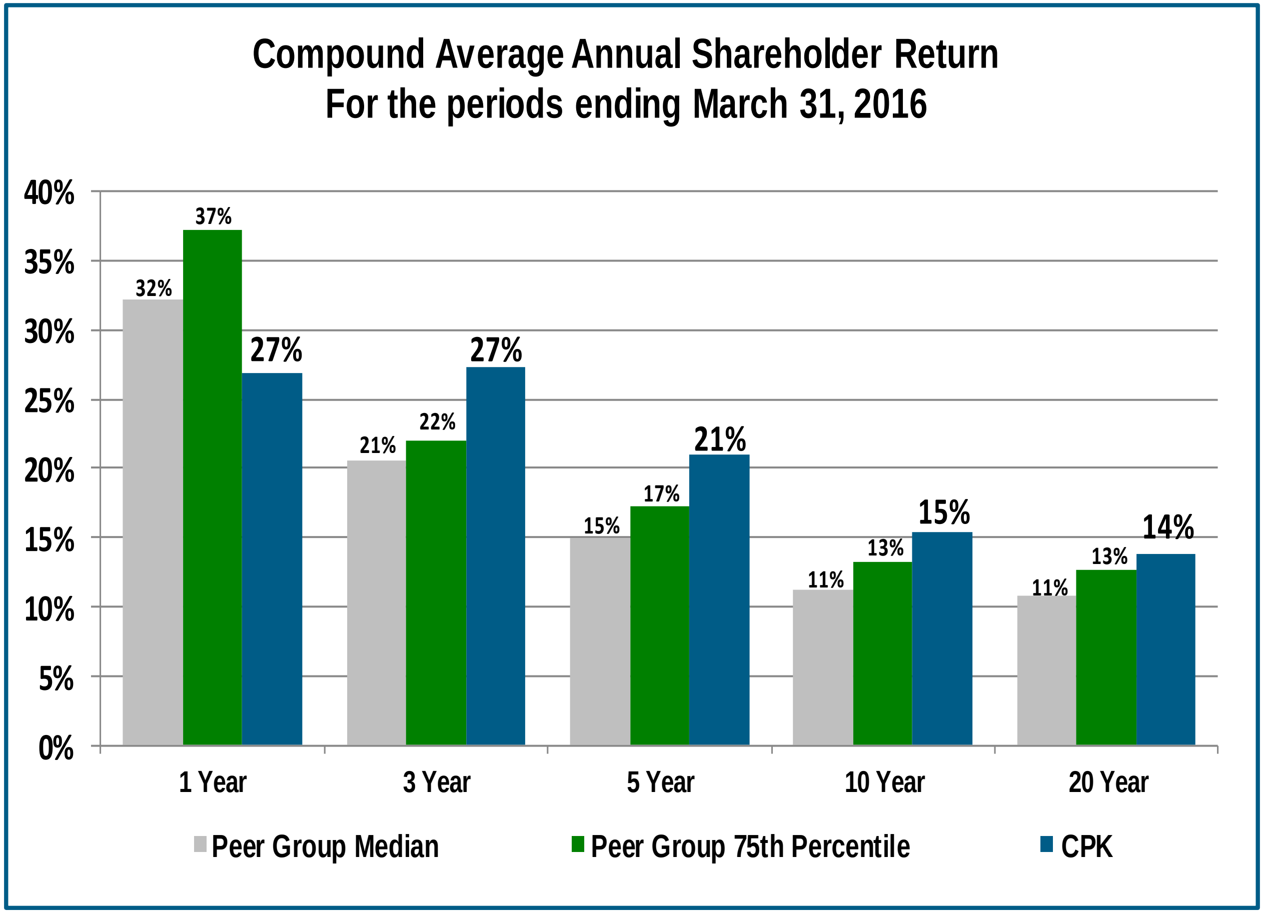
Generating Record Results

EPS and Return on Equity



Superior Shareholder Return

Comparison to Peer Group



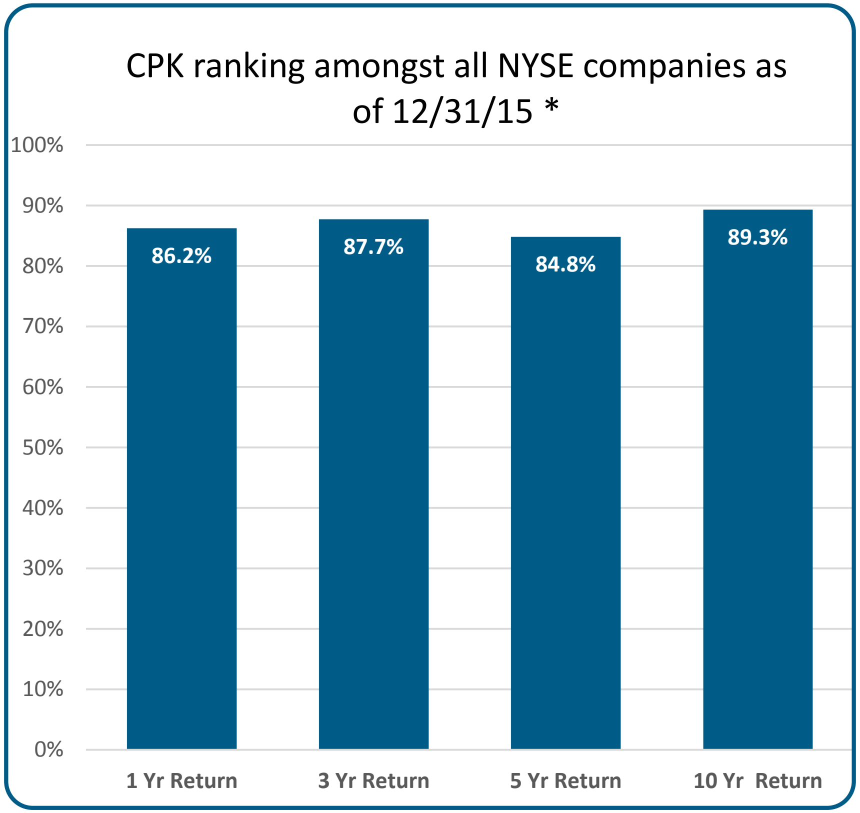
- For the most recent time periods (1, 3 and 5 years), compound annual shareholder return exceeded 20%.
- Investors in Chesapeake achieved compound average annual returns in excess of 14% over all periods shown.

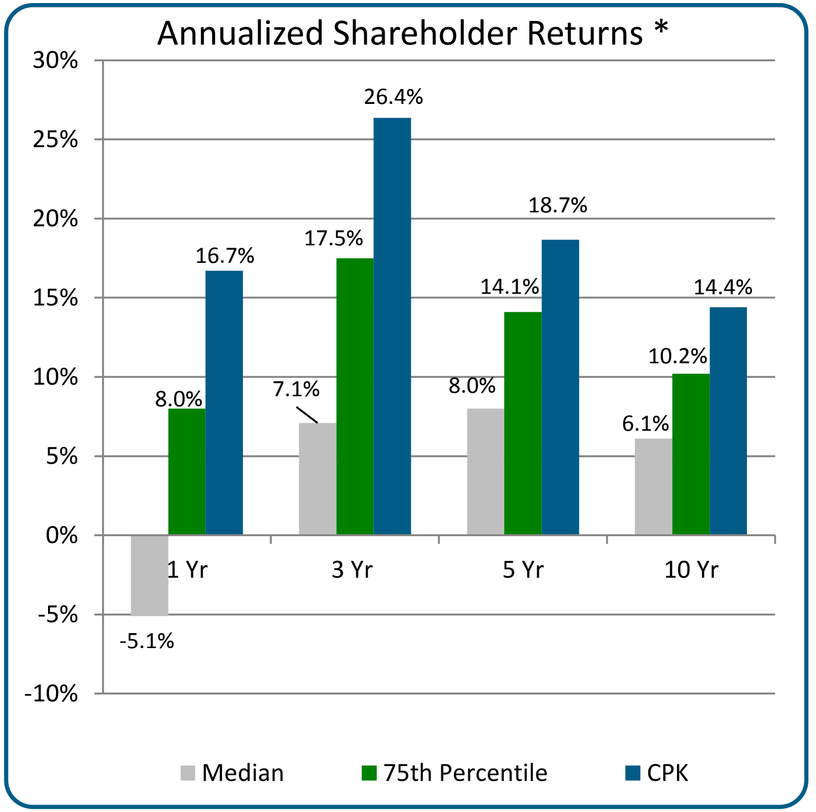
Note: Certain peer group companies have only been included in the respective years in which they had a return (if a new company) and have been excluded if they had less than one year of returns after a spin-off.

Shareholder Return –

Comparison to Broader Market – NYSE Companies

Chesapeake's Total Shareholder Return is in the top quartile when compared to all companies listed on the New York Stock Exchange.



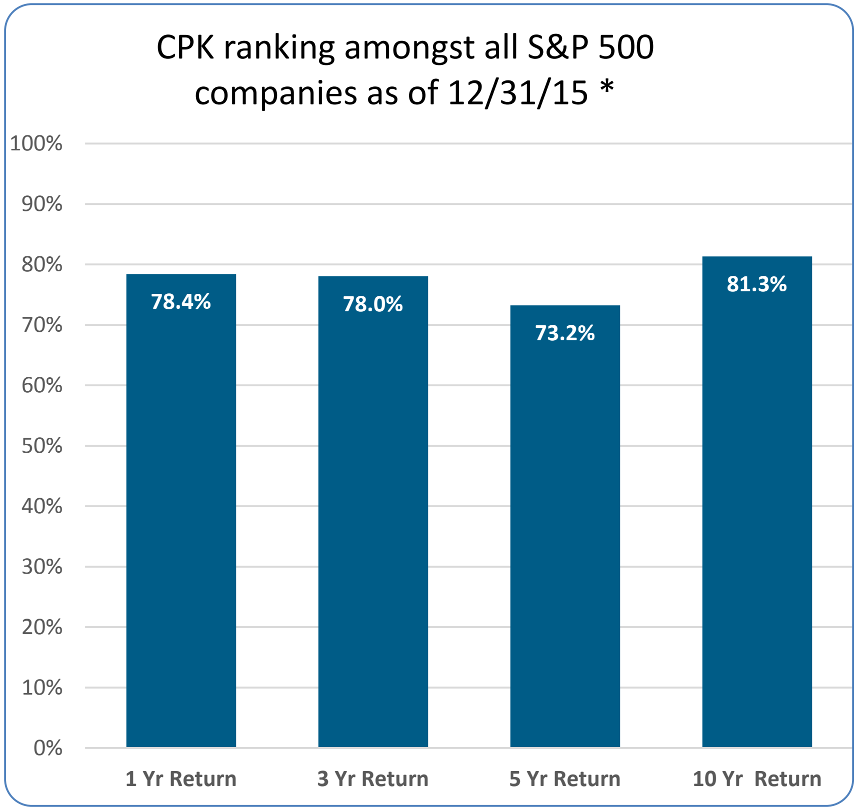


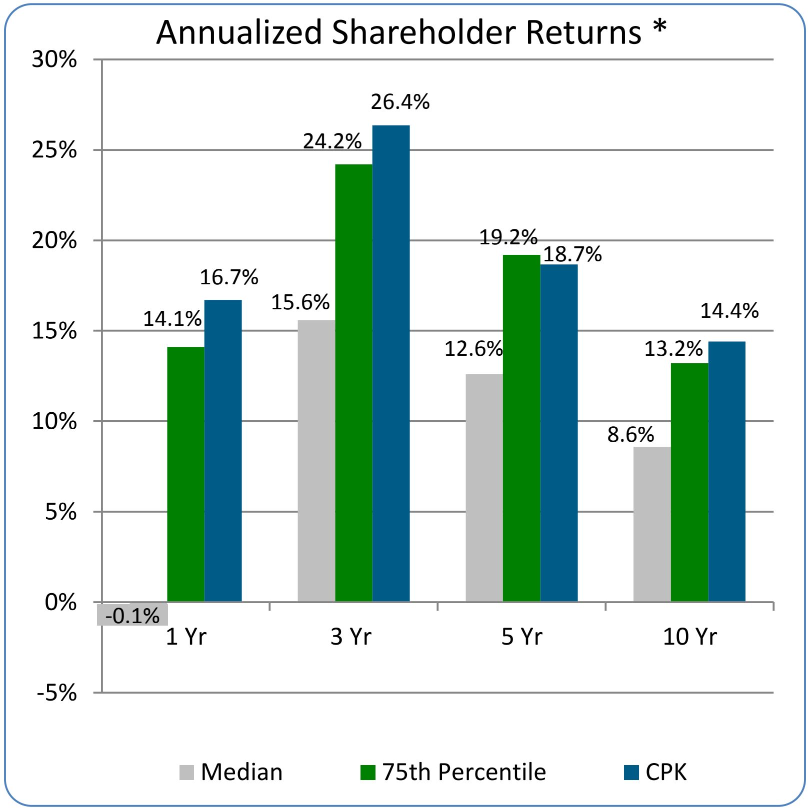
** Source: Robert W. Baird*

Shareholder Return –

Comparison to Broader Market – S&P 500

Chesapeake's Total Shareholder Return is in the top quartile when compared to the S&P 500, except for the 5 year period when we were at the 73.2% level.





** Source: Robert W. Baird*

Financial Metric Summary

- We achieved top quartile performance in 19 out of 20 categories.
- Chesapeake's Shareholder Return (CAGR) for 10 and 20 years was 15.4% and 13.7%, respectively; ranking as #2 for the 10 years and #1 for the 20 years in the peer group.

Performance Metrics	Chesapeake Results			Chesapeake Percentile Ranking		
For periods ending 12/31/15 unless otherwise noted	**1 Year**	**3 Year**	**5 Year**	**1 Year**	**3 Year**	**5 Year**
Capital Expenditures / Total Capitalization	32.3%	25.8%	22.3%	100.0%	93.2%	83.6%
Earnings Per Share Growth (CAGR)	10.6%	11.3%	8.5%	93.0%	100.0%	97.3%
Return on Equity	12.2%	12.2%	12.0%	100.0%	93.4%	89.1%
Dividends Per Share Growth (CAGR) for the periods ending 3/31/16	6.5%	5.7%	5.5%	79.6%	75.0%	85.9%
Earnings Retention Ratio	58.0%	56.4%	54.8%	100.0%	100.0%	100.0%
Shareholder Return (CAGR) for the periods ending 3/31/16	26.9%	27.3%	21.0%	43.7%	100.0%	100.0%

□ ***denotes percentiles in top quartile performance for the corresponding metric***

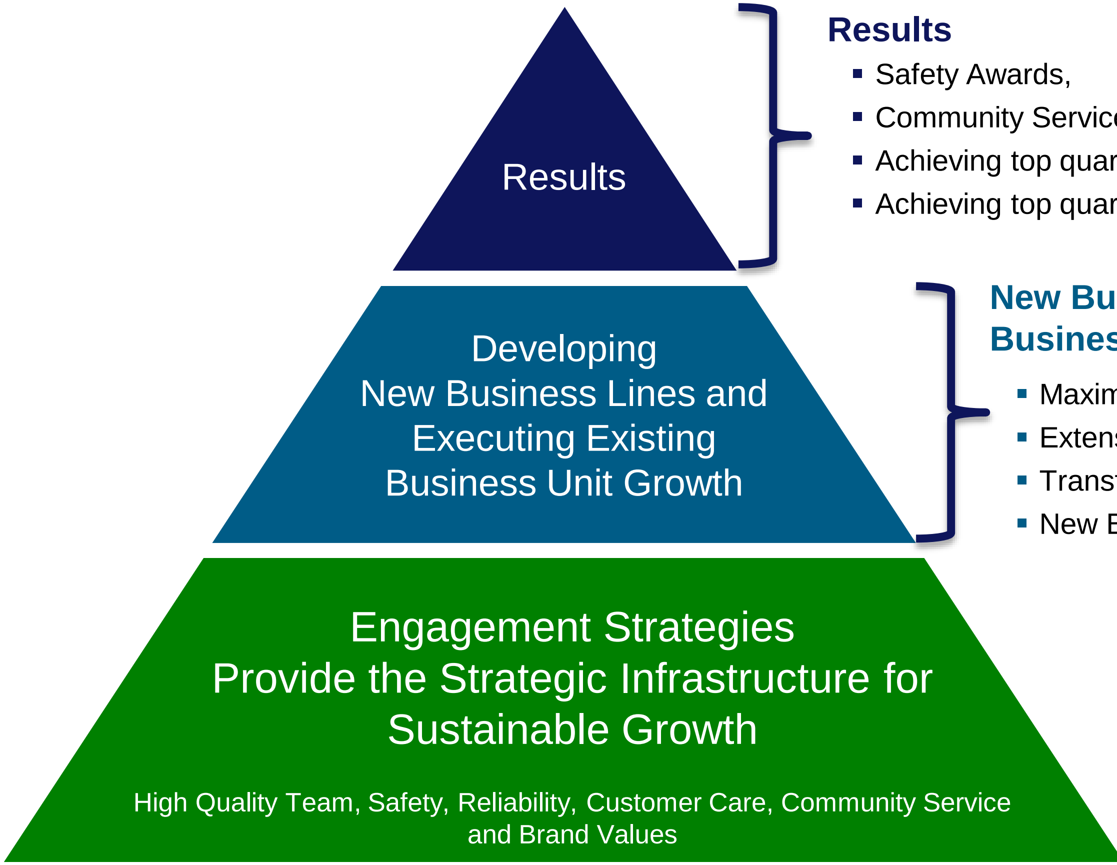
Source: Bloomberg

Note: Certain peer group companies have only been included in the respective years in which they had a return (if a new company) and have been excluded if they had less than one year of returns after a spin-off.

Strategic Platform for Growth

Company Performance & Direction

Strategic Platform for Growth



Results
- Safety Awards,
- Community Service Awards
- Achieving top quartile growth in earnings
- Achieving top quartile Total Shareholder Return

New Business Lines and Existing Business Unit Growth
- Maximizing Organic Growth
- Extensions into New Territories
- Transformational Opportunities
- New Business Creation

Engagement Strategies
- Brand Strategy
- Engaging Employees
- Engaging Customers
- Engaging with Communities
- Strategic Thinking

Our strategy continues to produce financial performance with strong growth in earnings, capital investment and return on equity. We are making investments in the strategic infrastructure needed to develop and execute sustainable long-term growth strategies.

Our Foundation for Growth –
Engagement Strategies

Employees

High quality employees supported by our engagement strategies and brand.

Strategic Alignment

Guided by our brand, our employees work together toward common goals that are aligned with our strategic plan and remained disciplined in our growth strategy.

Perseverance and Transformation

The creativity and dedication of our employees enable us to pursue growth initiatives with perseverance to achieve our objectives and transform opportunities into profitable earnings growth.

Top Workplace in Delaware

For the **fourth consecutive year** in 2015, Chesapeake Utilities Corporation was recognized as a **Top Workplace in Delaware**.

Employees Engaging with our Customers and Communities

Safety
& Reliability

We feel privileged to have the opportunity to serve our customers and provide energy resources in a safe and reliable manner – and we take this responsibility seriously.

Community
Service

Our various work with the Delaware community led to Chesapeake Utilities Corporation being recognized by the Jefferson Awards Foundation with the **"Outstanding Service by a Major Company"** award.

In 2015, Chesapeake Utilities Corporation was honored by the Central Delaware Chamber of Commerce with the **"Excellence in Business Award for Corporation of the Year"** based on significant contributions to the business community.

Community
Partner

We take pride in being a true partner in our communities and delivering value to our communities and society as a whole.

CHESAPEAKE UTILITIES CORPORATION

Strategic Planning & Thinking

Aggressive Growth Targets

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

Every Business Unit and Corporate Function is Involved

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

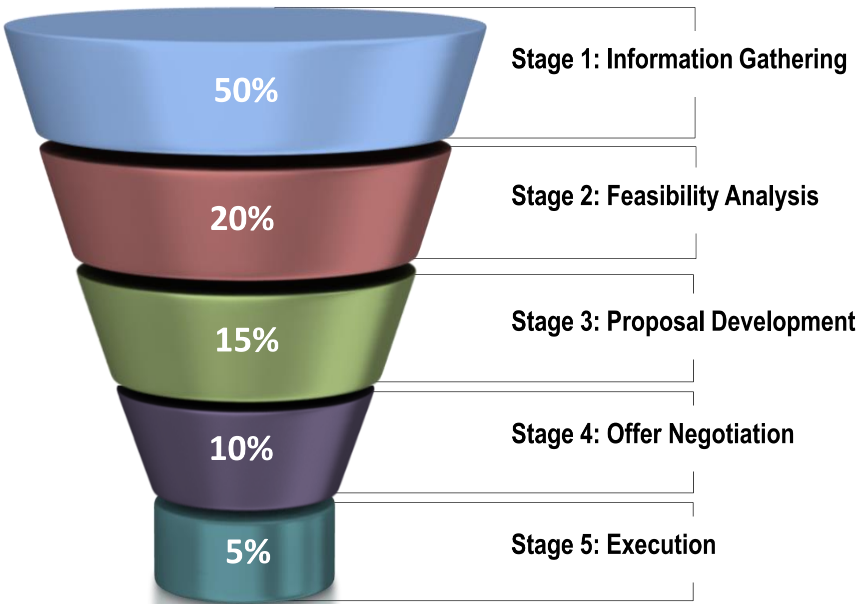
Market Focused and Continuous Adjustment

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

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 targets over the long term.

Disciplined Execution of our Strategic Growth Plan



Over 150 Active Projects

We continue our relentless efforts to drive growth 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.
- This supports sustainability of our growth efforts by maintaining our ability to raise capital when necessary.

Growth Opportunities

Current Key Growth Initiatives

Delmarva

Project	Description	Capacity	Estimated Annualized Margin
Eastern Shore Natural Gas White Oak Expansion	Natural gas transportation services to Calpine's electric generating plant in Dover, DE, under a 20-year service agreement.	Capacity increase of 45,000 dt/d from May to October with allowable interruption period of up to 90 days from November to April	$5.8 million
Eastern Shore Natural Gas TETCO Capacity Expansion	Capacity expansion at the existing TETCO interconnect. Providing customers the option of additional TETCO supply and access to that supply under an accelerated time frame.	Capacity increase of 53,000 dt/d	$344,000 + additional firm / interruptible margin opportunity
Eastern Shore Natural Gas System Reliability	Additional facilities that ensure the quality of service and optimal system design and operation, benefiting all customers on ESNG's system.	10.1 miles of pipeline and 1,775 hp compression	$4.5 million

Current Key Growth Initiatives

Florida & Ohio

Project	Description	Capacity	Estimated Annualized Margin
Florida Public Utilities Gas Reliability Infrastructure Program (GRIP)	**Natural gas pipe replacement program approved by Florida PSC. Enhances reliability and integrity of systems and allows recovery of capital and related costs through rates.**	**Replaced 162 miles of distribution mains through 2015; 58 mains planned for 2016**	**2016 Forecast of $11.4 million**
Eight Flags Energy, LLC	**Combined heat and power plant being constructed in our natural gas and electric distribution territory on Amelia Island in Nassau County, Florida. The CHP plant is a FERC qualifying cogeneration facility, which is under construction on a site leased from Rayonier Performance Fibers, LLC, a subsidiary of Rayonier Advanced Materials.**	**Plant will produce approximately 20MW of base load power that will be sold to FPU for distribution to its retail electric customers. Steam generated will be sold to Rayonier Performance Fibers for use in the operation of its facility.**	**$7.3 million**
Aspire Energy of Ohio	**Acquisition of Gatherco, Inc. on April 1, 2015. Provides natural gas supply to local distribution cooperatives and companies; and sources gas from 300 producers in eastern Ohio.**	**2,500 miles of pipeline**	**2016 Forecast of $12.8 million**

Growth Strategy

Maximize existing business units growth

- Expansion of natural gas and propane business to unserved and underserved territories
- Conversions opportunities
- Growing footprint through Start-ups
- Growing footprint through acquisitions

Develop new service and product offering

- Development of Combined Heat & Power projects
- Development of pipeline projects to serve electric power generation
- New pipeline service offering – OPT≤90
- Promote alternate fuels
- Development of pipeline projects that provide access to new sources of supply (TETCO lateral)
- Natural gas gathering

Optimize existing and new growth

- Gathering systems
- Natural Gas Transmission
- Natural Gas Distribution
- Natural Gas Marketing and Asset and Risk Management
- Natural Gas Trading
- Electric Generation and Distribution
- Propane Supply and Distribution

Conclusion

- Our past performance has been excellent, but rest assured, we will not rest on our laurels
- Our employees remain committed to safety and proving high quality service to our customers and surrounding communities
- We remain committed to our growth strategy
- We will continue to look for creative ways to better serve our customers and to grow our company, and
- We will continue to take seriously our responsibility as a custodian of our investors' capital

THANK YOU!

Michael P. McMasters, President & CEO
302.734.6799; mmcmasters@chpk.com

Beth W. Cooper, Senior Vice President & CFO
302.734.6022; bcooper@chpk.com

TOP WORK PLACES

CHESAPEAKE UTILITIES CORPORATION

Appendices

Business Profile

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
<u>Florida</u>
FPU/Flo-gas

PROPANE WHOLESALE MARKETING

Xeron

NATURAL GAS MARKETING

PESCO

OTHER

FPU Unregulated Energy Services
Eight Flags
Aspire Energy

Other Businesses

INTERCOMPANY REAL ESTATE AND OTHER

Skipjack
ESRE
CIC

Chesapeake's Existing Service Areas

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

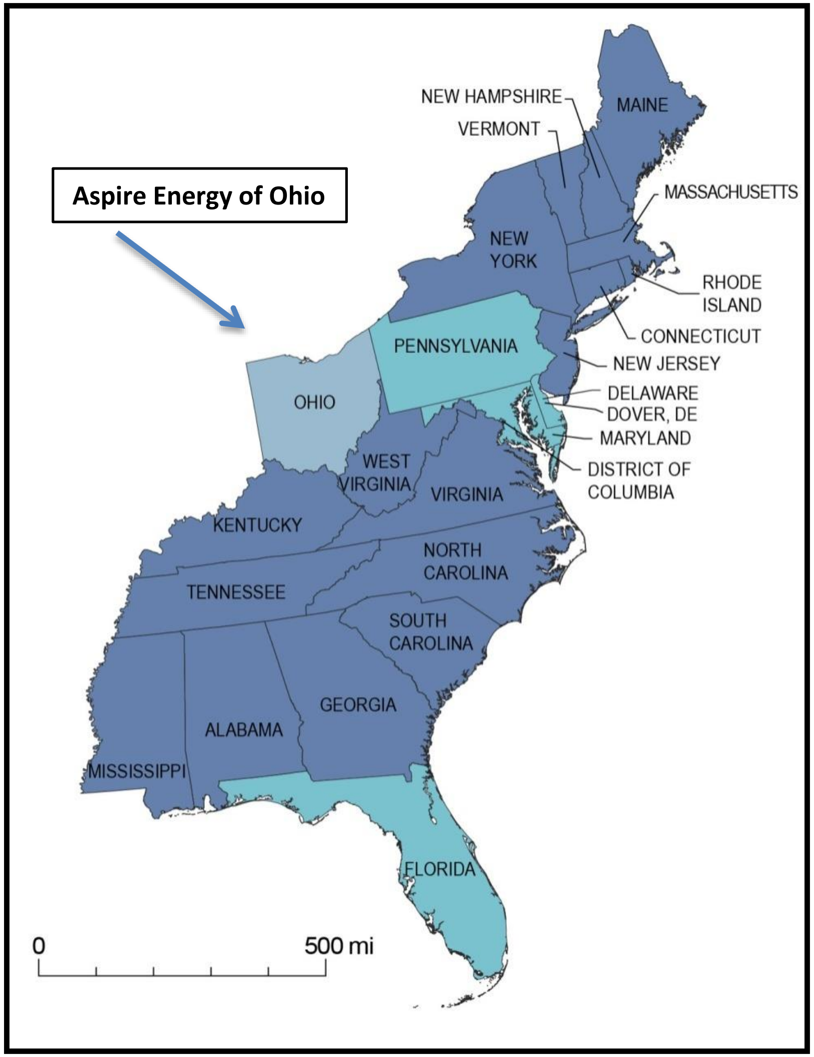
Virginia
Propane Distribution

Pennsylvania
Natural Gas Transmission
Propane Distribution

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

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

Texas
Propane Marketing



CHESAPEAKE UTILITIES CORPORATION

Regulated Energy – Delmarva Distribution

- **Chesapeake Utilities** distributes natural gas to approximately 60,000 residential and commercial customers in Delaware and Maryland.
- In Delaware, Chesapeake continues to expand its system in southeast Sussex County.
- In Maryland, Chesapeake's Sandpiper business unit distributes propane and natural gas to approximately 11,000 customers in Worcester County.

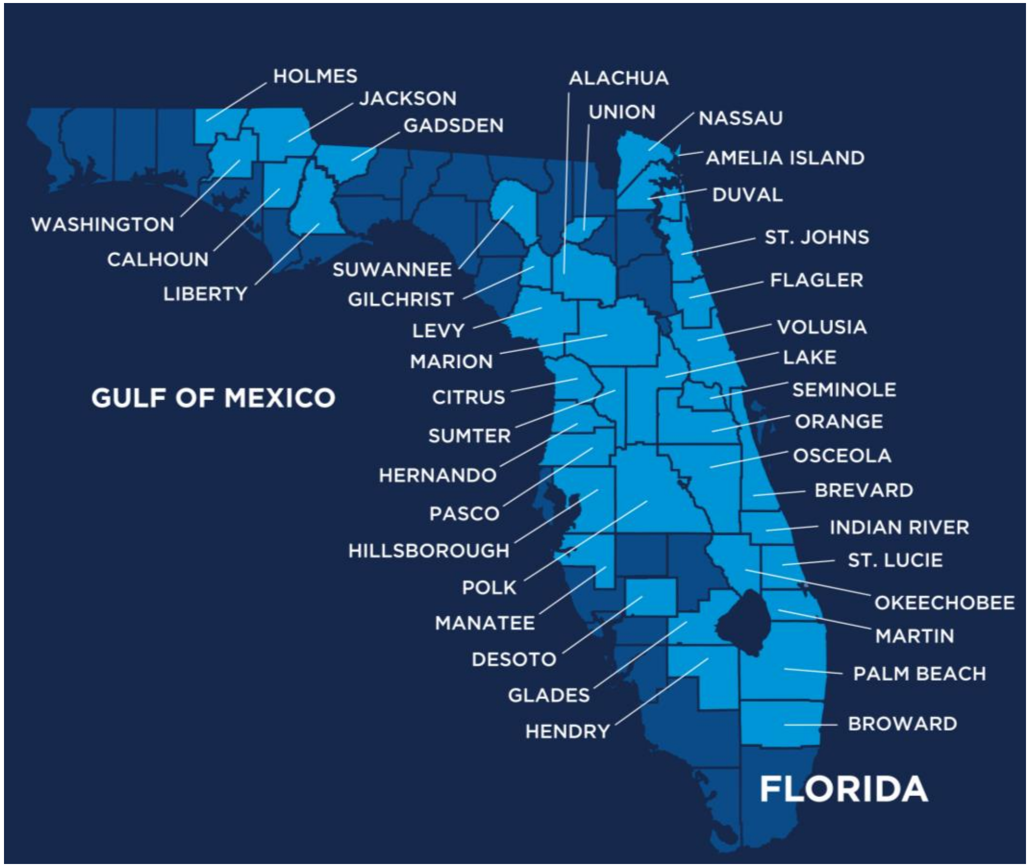
Regulated Energy – Delmarva Transmission

EASTERN SHORE NATURAL GAS

- **Eastern Shore Natural Gas Company (“ESNG”)** owns and operates a 442-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.

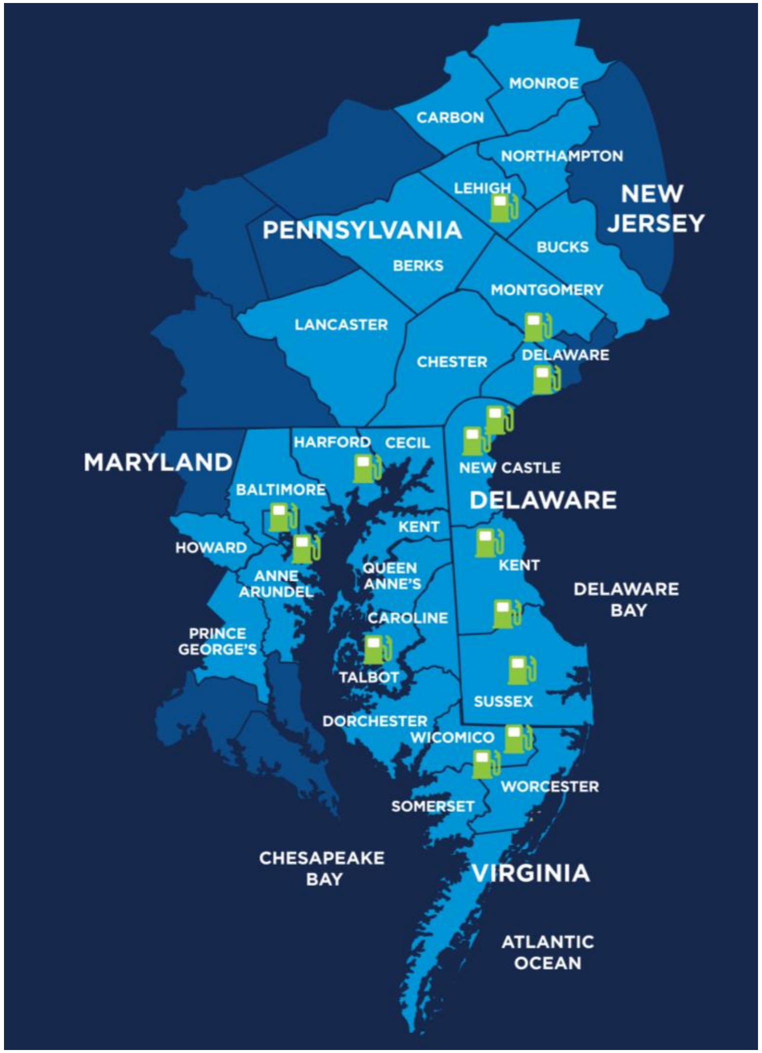
Regulated & Unregulated Energy - Florida

- **Florida Public Utilities** distributes natural gas to approximately 74,000 residential and commercial customers and electricity to 31,000 customers across Florida.
- **Peninsula Pipeline Company, Inc.** provides natural gas transmission services in Florida.
- **Florida Public Utilities'** propane distribution subsidiary provides service to approximately 16,000 customers in various areas of Florida.



Unregulated Energy – Sharp Energy

- **Sharp Energy** distributes propane to 37,000 customers in Delaware, the 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 280 vehicles through 14 propane fueling stations in Delaware, Maryland and Pennsylvania.

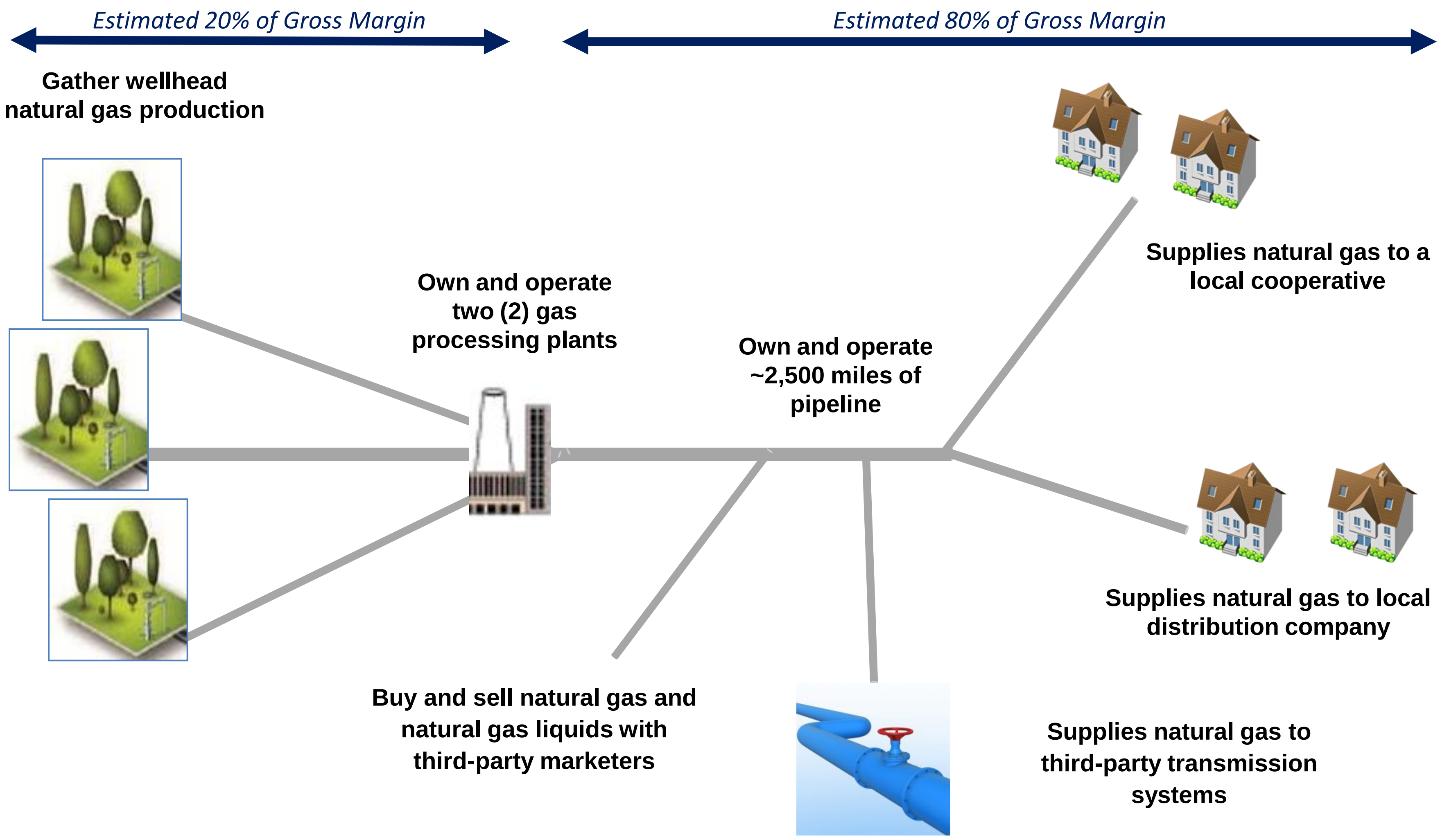


Unregulated Energy – Aspire Energy

- **Aspire Energy** of Ohio is an unregulated natural gas infrastructure company with over 2,500 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.

Aspire Energy of Ohio

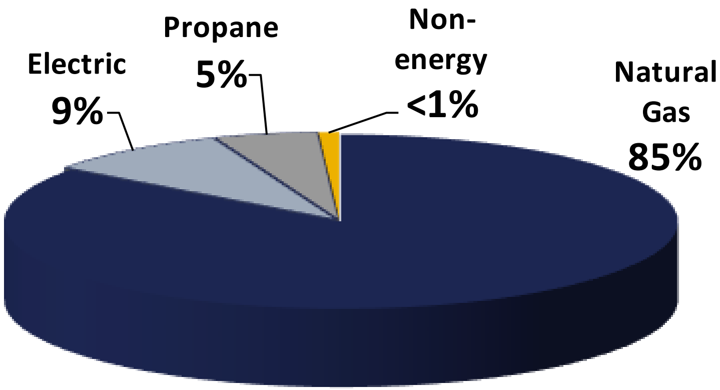
Natural Gas Supply Chain



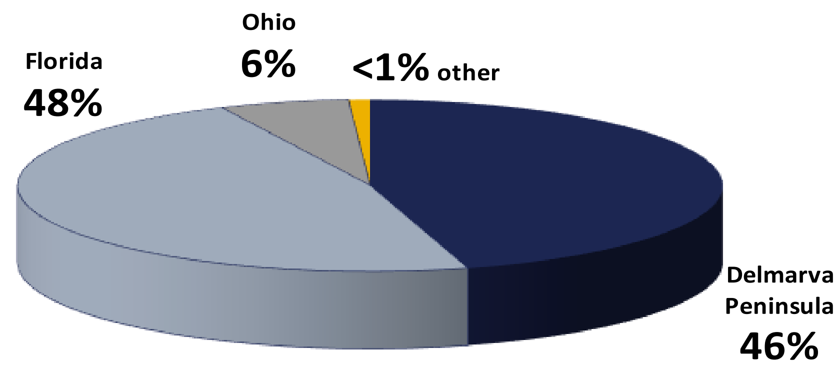
Business Mix

Average Investment as of December 31, 2015

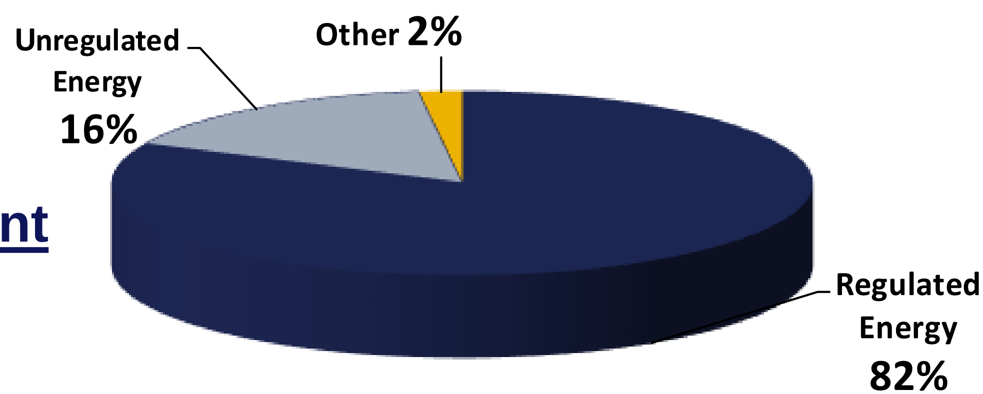
By Energy Served



By Region



By Segment

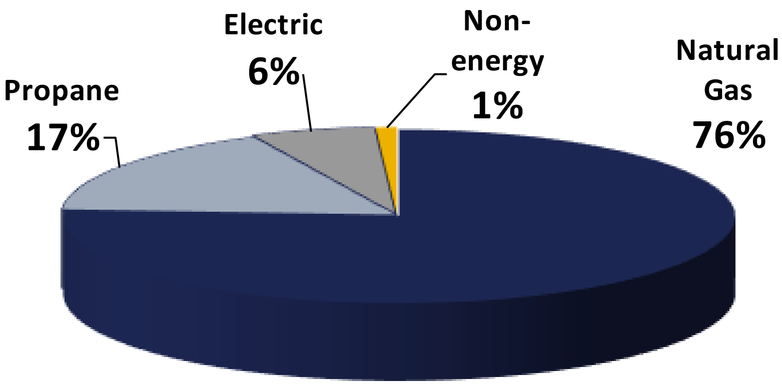


* Aspire Energy of Ohio Natural Gas Operations are Unregulated

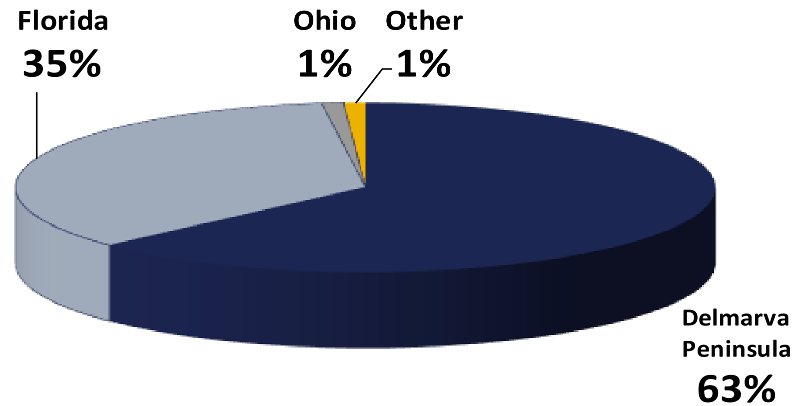
Business Mix

2015 Operating Income Contribution

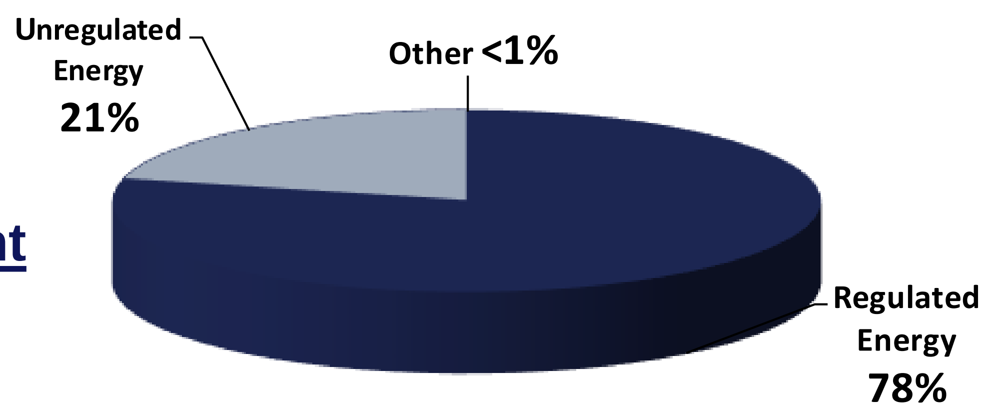
By Energy Served



By Region



By Segment



* Aspire Energy of Ohio Natural Gas Operations are Unregulated

CHESAPEAKE UTILITIES CORPORATION

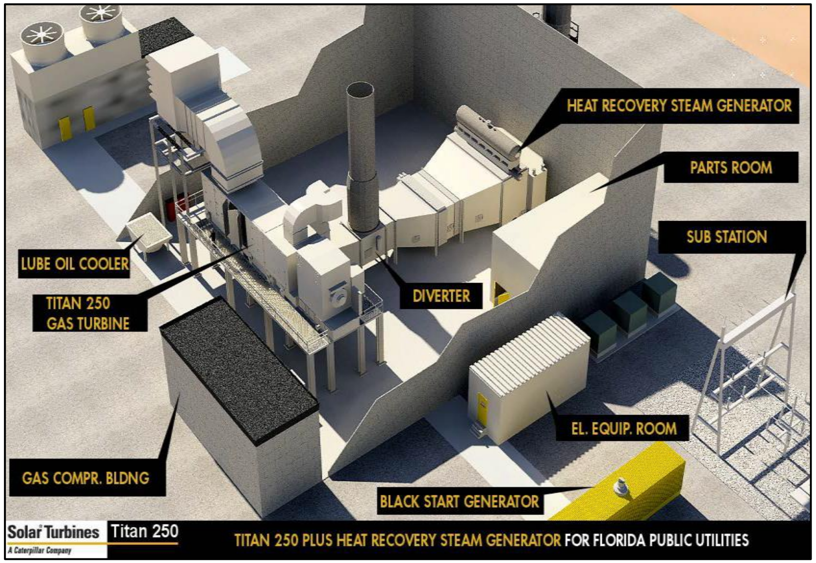
Project Profiles

Eight Flags Energy, LLC

Combined Heat and Power Plant

General Information

- FERC certified Qualified Facility (QF) Combined Heat and Power Project
- Sited at the Rayonier Advanced Materials paper mill on Amelia Island, Florida.
- 100% of electric sales to FPU electric distribution system; 100% of steam sales to Rayonier Advanced Materials
- Key agreements have been executed
- Purchase Power Agreement approved by the FPSC
- Completing final electrical and mechanical installations

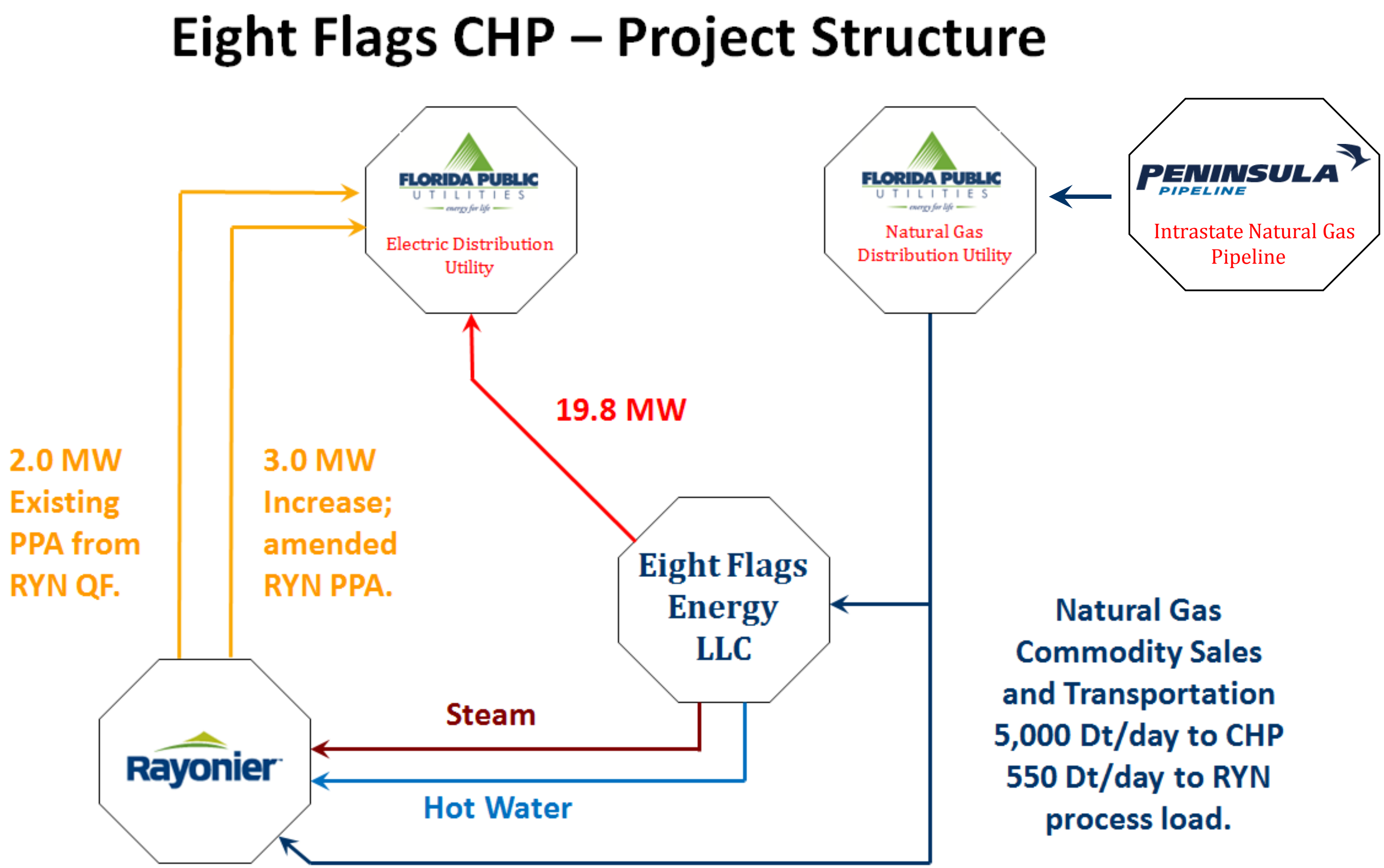


Project Specifics

- Capital Investment: $40.0 Million
- Capacity: 19.8 MW
- Annual Margin: $7.3 Million
- Projected In-service date: 3rd Qtr. of 2016 or earlier
- Est. electric purchase savings: $3 to $4 Million per year depending on natural gas prices

Eight Flags Energy, LLC

Combined Heat and Power Plant



Eight Flags Energy, LLC

Combined Heat and Power Plant

Eight Flags Energy, LLC

Celebrating the Safety Accomplishments of the Project!

Eastern Shore Natural Gas

White Oak Expansion Project
Calpine Energy Services – Garrison Energy Center

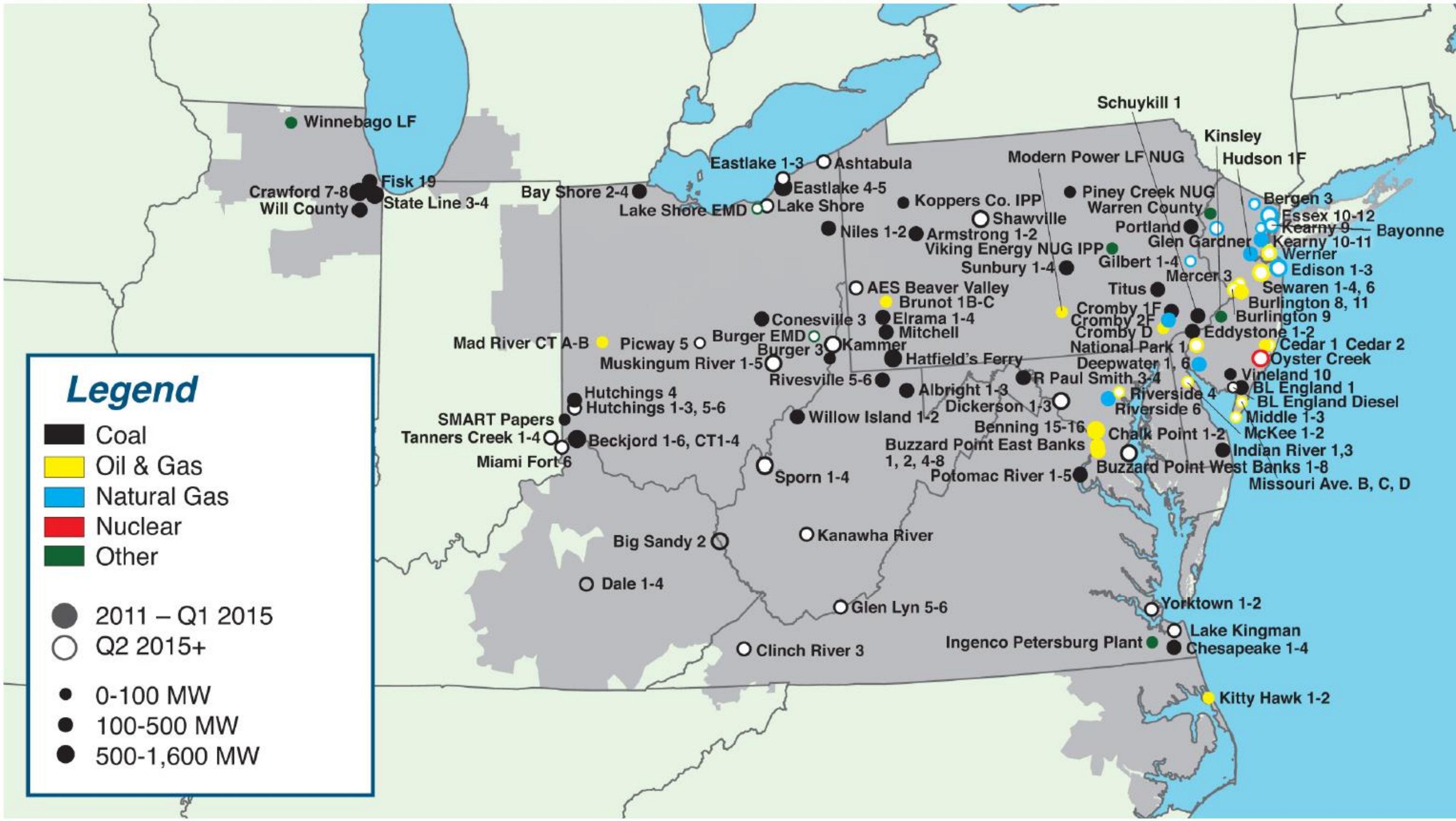
Eastern Shore Natural Gas (ESNG) will provide natural gas transportation services to Calpine's new electric generating plant in Dover, Delaware, under a 20-year service agreement upon completion of certain facilities, identified below.

Estimated Capital Cost	Between \$32.0 million and \$35.0 million
Miles of Pipeline/Compression	5.4 miles of 16-inch looping and 3,550 hp compression
Capacity Increase	45,000 dt/d firm from May to October with allowable interruption period of up to 90 days from November to April (OPT $\leq$ 90)
Regulatory Status	Environmental Assessment issued on April 25, 2016; the 30-day comment period related to the EA will end May 25, 2016. FERC has set the 90-day federal authorization deadline as July 25, 2016.
Estimated Annualized Margin	\$5.8 million 1/

1/ Annualized margin shown assumes full 90-days of interruption as allowed by service.

Power Plants in Mid-Atlantic

Map of PJM unit retirements: 2011 through 2019



PJM estimates that a total of 9,337.8 MW of coal-fired generation will be retired between 2015 and 2019.

Eastern Shore Natural Gas

Natural Gas Transmission System Reliability

- As part of our ongoing efforts to maintain the quality of our service to customers, ESNG continuously monitors its systems to ensure optimal system design and operations.

- ESNG prepared a system reliability plan to invest in additional facilities that provide an overall benefit to all customers on ESNG's system.

Estimated Capital Cost	Approximately $32.1 million
Miles of Pipeline/Compression	10.1 miles of 16-inch looping and 1,775 hp compression
Regulatory Status	Environmental Assessment issued on April 25, 2016; the 30-day comment period related to the EA will end May 25, 2016. FERC has set the 90-day federal authorization deadline as July 25, 2016. Requested rolled-in rate treatment for facilities; cost recovery to begin upon approval of ESNG's 2017 rate case
Estimated Annualized Margin	$4.5 million

Florida Public Utilities (FPU)

Gas Reliability Infrastructure Program (GRIP)

GRIP is a natural gas pipe replacement program approved by the Florida PSC, which:

- is designed to expedite the replacement of cast iron and bare steel mains and service lines;
- will enhance the reliability and integrity of the Company's Florida natural gas distribution systems; and
- allows recovery of capital and program-related costs through rates.

Estimated Capital Cost	Invested $84.3 million since 2012 to date; Additional investment of $13.6 million in the remainder of 2016
Miles of Pipeline	Replaced 174 miles of distribution mains to date; 46 additional miles planned for 2016
Gross Margin for 2015	$7.5 million
Additional Gross Margin for three months ended March 31, 2016	$1.1 million (Total forecasted margin of $11.4 million for 2016)

Regulatory Information

TOP WORK PLACES

CHESAPEAKE UTILITIES CORPORATION

Regulatory Snapshot

	Chesapeake - Delaware Division	Chesapeake - Florida Division	FPU Natural Gas	FPU Electric	Chesapeake - Maryland Division	Eastern Shore	Sandpiper
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
Regulatory Jurisdiction:	Delaware PSC	Florida PSC	Florida PSC	Florida PSC	Maryland PSC	FERC	Maryland PSC
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	7/6/2007 [4]	7/14/2009	12/17/2008	4/28/2014	5/1/2006	12/30/2010	N/A[4]
Effective date of permanent rates	9/30/2008 [4]	1/14/2010	1/14/2010[1]	11/1/2014	12/1/2007	7/29/2011	N/A[4]
Rate increase (decrease) approved	325000 [4]	$2,536,300	$7,969,000	$3,750,000	$648,000	$805,000	N/A[4]
Rate of return approved	10.25% [2] [4]	10.80%[2]	10.85%[2]	10.25%[2]	10.75%[2]	13.90%[3]	N/A[4]

[1] Effective date of the Order approving settlement agreement, which adjusted rates originally approved on June 4, 2009.

[2] Allowed return on equity.

[3] Allowed pre-tax, pre-interest rate of return.

[4] We filed base rate proceedings for our Delaware Division and Sandpiper on December 21, 2015 and December 1, 2015, respectively. See *Item 8, Financial Statements and Supplementary Data* (Note 18, *Rates and Other Regulatory Activities*, in the Consolidated Financial Statements) for more information.

Recent and Upcoming Rate Cases

Filed

Sandpiper Energy (2015)

- Rate case filed with the MD PSC on December 1, 2015, as required with the PSC approval of the 2013 acquisition
- Procedural schedule suspended in early May 2016 to allow for continuation of settlement discussions

Delaware Division (2015)

- Rate case filed with the DE PSC on December 21, 2015 for a $4.7 million rate increase
- Interim rate increase, subject to refund, implemented on February 19,2016

Planning

ESNG (late 2016/early 2017)

- Settlement Agreement requires a rate case filing with the FERC five years from the date of settlement approval of ESNG's last rate case; new rates will be proposed to be effective on March 1, 2017

CPK LISTED NYSE

For additional information, please visit our website at www.chpk.com or our IR app.

TOGETHER WE ASPIRE, TOGETHER WE GROW.

CHESAPEAKE UTILITIES CORPORATION