



FOR IMMEDIATE RELEASE

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**CHESAPEAKE UTILITIES PARTNERS WITH MOUNTAIRE FARMS
TO EXPAND NATURAL GAS SERVICE IN MILLSBORO, DELAWARE**

Dover, Delaware — Chesapeake Utilities today announced the signing of an agreement with Mountaire Farms of Delaware, Inc. of Millsboro, Delaware to provide the poultry plant with natural gas service.

“We’re very excited about the opportunity to bring efficient, clean-burning natural gas to Mountaire Farms and the surrounding community in Eastern Sussex County,” said Jeffrey Tietbohl, Assistant Vice President of Chesapeake Utilities Corporation (NYSE:CPK). “The demand for natural gas is growing as we continue to see an interest for expanded natural gas service on the Delmarva Peninsula. Natural gas continues to be a preferred energy given its value relative to alternative fuels as well as its environmentally friendly features,” added Mr. Tietbohl. “We are committed to delivering energy solutions that meet the natural gas demands of the businesses and communities who desire natural gas service.”

Bringing natural gas to Mountaire Farms requires Chesapeake Utilities to extend its distribution main infrastructure by over 2.5 miles along with an extension of 1.7 miles in Sussex County of its transmission pipeline system, Eastern Shore Natural Gas Company.

The anticipated annual margin from the consumption of natural gas at the Mountaire Farm’s Millsboro facility equates to approximately 850 average residential heating customers. In addition, by replacing Mountaire Farms’ current energy source with natural gas service, Mountaire will directly reduce their carbon (CO₂) emissions by over 25% which equates to taking more than 1,000 cars off the road that drive 12,000 miles a year at 20 miles per gallon.

“In this economy, having the option to utilize the most efficient, cost-effective, environmentally friendly fuel to operate our plant is crucial. Additionally, utilizing natural gas enhances our ability to expand our operations and bring additional jobs to the area,” said Paul Downes, President of Mountaire Farms. “Our partnership with Chesapeake to bring natural gas to the Millsboro plant not only supports our stated philosophy of “Partnering for Success,” but demonstrates our continuing commitment to reduce the carbon footprint in our plants while benefitting the local communities in terms of new jobs.”

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Mountaire Farms is a fast growing agricultural food processing company with more than 6,000 employees at facilities in the states of Delaware, Maryland and North Carolina.

Natural gas supplies nearly one-fourth (24%) of all the energy used in the United States and is a highly reliable, domestic energy source serving over 64 million residential customers and five million commercial enterprises in the United States. Ninety-nine (99%) of the natural gas used in the United States is produced in North America. Natural gas is the cleanest fuel readily available on the market today. It is far more efficient, cost-effective and environmentally friendly than other alternative sources when used in the home for heating and cooking. The direct use of natural gas can help the United States reach its carbon reduction goals; and its abundance as a domestic resource means that our country has enough natural gas to last more than a century, making it the clean energy to meet tomorrow's needs.

Chesapeake Utilities' natural gas distribution operations serve approximately 116,600 residential, commercial and industrial customers in Delaware, Maryland and Florida. The Delaware division serves southern New Castle County and is the only natural gas distribution system serving Delaware's Kent and Sussex counties.

Chesapeake Utilities Corporation is a diversified utility company engaged in natural gas distribution, transmission and marketing, electric distribution, propane gas distribution and wholesale marketing, advanced information services and other related services. Information about Chesapeake's businesses is available at www.chpk.com.

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