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FLORIDA PUBLIC UTILITIES PURCHASES THE NATURAL GAS ASSETS OF INDIANTOWN GAS COMPANY

WEST PALM BEACH, FL – Florida Public Utilities Company (FPU), a subsidiary of Chesapeake Utilities Corporation (NYSE: CPK), announced today its purchase of the natural gas operating assets of Indiantown Gas Company (Indiantown Gas or IGC), a natural gas distribution and transportation company headquartered in Indiantown, Florida.

Indiantown Gas was founded in 1960 to bring natural gas and propane service to the Indiantown, Florida area. IGC provides natural gas transportation service to approximately 700 customers, including two large industrial customers. Since its inception, Indiantown Gas has been locally owned and operated by the Powers family. In conjunction with their decision to focus on the propane business, the owners decided to sell the assets of the natural gas business to FPU. Prior to this purchase, FPU had an agreement with IGC for transportation service to provide natural gas to certain customers in the Indiantown region.

FPU will provide service to IGC natural gas customers under the terms of the existing tariff on file with the Florida Public Service Commission at the rates approved by the Commission. FPU and Indiantown Gas have entered into an agreement, pursuant to which IGC natural gas customers can continue to pay bills in person at the Indiantown office. Additionally, Indiantown Gas and its President, Brian Powers, have agreed to provide certain operations and maintenance services and other consulting services during a transition period.

“The purchase of the natural gas operating assets of IGC supports our long-term strategy to further grow our natural gas footprint throughout the state of Florida. FPU and IGC have a long-standing relationship and we are pleased that IGC first considered FPU when deciding to sell the natural gas assets,” noted Jeff Householder, FPU President. “Having IGC continue to provide the same local customer service should ensure a smooth transition,” he added.

The terms of the transaction were not disclosed.

Headquartered in West Palm Beach, Florida, FPU distributes natural gas, propane and electric services to approximately 100,000 customers in growing markets throughout Florida. 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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