



15-0950

Rec'd 4/27/15

April 17, 2015

Ms. Donna Nickerson, Secretary  
Delaware Public Service Commission  
861 Silver Lake Boulevard  
Cannon Building, Suite 100  
Dover, Delaware 19904

RE: Chesapeake Utilities Corporation – Town of Smyrna Franchise Fee Rider

Dear Ms. Nickerson:

Enclosed for filing is Chesapeake Utilities Corporation's ("Chesapeake") application to extend its Town of Smyrna ("Town") Franchise Fee Rider, Rate Schedule "TSFF" for another term. Enclosed for reference is a copy of the Franchise Agreement between Chesapeake and the Town, which was signed by the Mayor of Smyrna on January 5, 2015. A clean and redlined copy of the revised tariff sheet is also included.

Under the terms of the Franchise Agreement, the Company will continue to pay to the Town a volumetric franchise fee in the amount of \$0.0181 per Ccf of natural gas delivered to customers through Chesapeake's distribution system within the Town limits for the term of the Franchise Agreement. The Franchise Agreement also permits Chesapeake to collect the surcharge from applicable customers upon approval of the Delaware Public Service Commission. This Franchise Agreement is similar to the prior agreement with the Town as well as agreements Chesapeake maintains with the City of Milford, the Town of Georgetown, the Town of Millsboro, the City of Seaford, the Town of Milton, the Town of Dagsboro, the City of Lewes, the Town of Selbyville, and the Town of Frederica -- whose surcharges were previously approved by the Commission.

The Delaware Public Service Commission's "Filing Cover Sheet" along with the application fee of \$100.00 is also enclosed.

Chesapeake Utilities Corporation

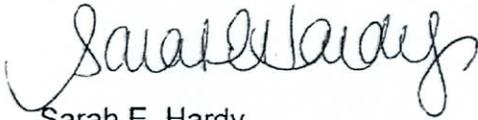
350 South Queen Street • Dover, Delaware 19904 • 302.734.6797 • 302.735.3061 / fax

[www.chpxgas.com](http://www.chpxgas.com)

Ms. Donna Nickerson  
April 17, 2015  
Page 2 of 2

Should you have any questions with regard to this submission, please contact me at 302.734.6797, extension 6201.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sarah E. Hardy".

Sarah E. Hardy  
Regulatory Analyst III

Enclosures

CC: William A. Denman, Esquire  
David Bonar, Public Advocate  
Jason Smith, Public Utilities Analyst

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF DELAWARE

IN THE MATTER OF THE TARIFF FILING BY )  
CHESAPEAKE UTILITIES CORPORATION )  
FOR AN EXTENSION OF RATE SCHEDULE ) P.S.C. DOCKET NO. 15-  
"TSFF" CALLED TOWN OF SMYRNA )  
FRANCHISE FEE RIDER )

CERTIFICATE OF SERVICE

I, Sarah E. Hardy, do hereby certify that on April 17, 2015, a copy of the attached CHESAPEAKE UTILITIES CORPORATION application was issued to the following persons in the manner indicated:

**VIA ELECTRONIC DELIVERY**

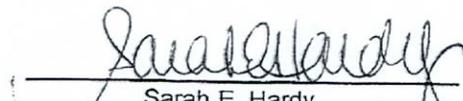
DAVID BONAR, PUBLIC ADVOCATE  
DIVISION OF THE PUBLIC ADVOCATE  
JOHN G. TOWNSEND BUILDING  
401 FEDERAL ST, STE 3 (SOS)  
DOVER, DE 19904

**VIA ELECTRONIC DELIVERY**

WILLIAM A. DENMAN, ESQUIRE  
PARKOWSKI, GUERKE AND SWAYZE P.A.  
116 WEST WATER STREET  
P. O. BOX 598  
DOVER, DELAWARE 19903

**VIA ELECTRONIC DELIVERY**

JASON R. SMITH  
DELAWARE PUBLIC SERVICE COMMISSION  
861 SILVER LAKE BLVD  
CANNON BUILDING, SUITE 100  
DOVER, DELAWARE 19904

  
\_\_\_\_\_  
Sarah E. Hardy  
Regulatory Analyst III

For PSC Use Only:	
Docket No.	_____
Filing Date:	_____
Reviewer:	_____
Given to:	_____

**DELAWARE PUBLIC SERVICE COMMISSION  
FILING COVER SHEET**

1. NAME OF APPLICANT: Chesapeake Utilities Corporation
2. TYPE OF FILING:
- |                      |            |
|----------------------|------------|
| RATE CHANGE          | ___        |
| FUEL ADJUSTMENT      | ___        |
| ADMINISTRATIVE       | <u> X </u> |
| CPCN                 | ___        |
| NEW SERVICE OFFERING | ___        |
| OTHER                | ___        |

IF A TELECOMMUNICATIONS FILING, WHAT TYPE OF SERVICE IS IMPACTED?  
(PLEASE CHECK)

BASIC \_\_\_      COMPETITIVE \_\_\_      DISCRETIONARY \_\_\_

3. PROPOSED EFFECTIVE DATE: upon approval

IS EXPEDITED TREATMENT REQUESTED?      YES \_\_\_      NO  X

4. SHORT SYNOPSIS OF FILING: Chesapeake Utilities Corporation proposes an extension to the Town of Smyrna Franchise Fee Rider, Rate Schedule "TSFF".

5. DOES THIS FILING RELATE TO PENDING DOCKETS?      YES \_\_\_      NO  X

IF SO, PLEASE LIST DOCKET(S) NO(S):

6. IS PUBLIC NOTICE REQUIRED?      YES  X       NO \_\_\_

IF YES, PLEASE ATTACH COPY OF PROPOSED PUBLIC NOTICE.

7. APPLICANT'S CONTACT PERSON:
- |             |                              |
|-------------|------------------------------|
| (NAME)      | Sarah E. Hardy               |
| (TITLE)     | Regulatory Analyst III       |
| (TELE. NO.) | 302.734.6797, extension 6201 |
| (FAX NO.)   | 302.734.6011                 |

8. DID YOU PROVIDE A COMPLETE COPY OF THE FILING TO THE PUBLIC ADVOCATE?

YES  X       NO \_\_\_      IF SO, WHEN? April 17, 2015

9. FILING FEE ENCLOSED:      \$100.00  
(AMOUNT)

NOTE: House Bill 681, enacted into law 7/13/98, authorizes the Commission to recover the cost of time spent by in-house staff to process all filings initiated after the date of enactment. You may be required to reimburse the Commission for staff time.

"DRAFT"

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE TARIFF FILING BY )  
CHESAPEAKE UTILITIES CORPORATION )  
FOR AN EXTENSION OF RATE SCHEDULE ) PSC DOCKET NO. 15-  
"TSFF" CALLED TOWN OF SMYRNA )  
FRANCHISE FEE RIDER )

PUBLIC NOTICE

TO: ALL NATURAL GAS CUSTOMERS OF CHESAPEAKE UTILITIES  
CORPORATION AND ANY OTHER INTERESTED PERSONS

On \_\_\_\_\_, Chesapeake Utilities Corporation ("Chesapeake" or the "Company") filed with the Delaware Public Service Commission ("the Commission") an application requesting permission to continue to charge all customers within the Town of Smyrna the franchise fee imposed by the Town of Smyrna upon Chesapeake as a condition precedent to the use of the Town of Smyrna's public roads and rights-of-way by Chesapeake to provide natural gas service to the Town's residents. Chesapeake is required to pay to the Town of Smyrna a franchise fee in the amount of \$0.0181 per 100 cubic feet (Ccf) of gas delivered to customers through the Company's distribution system within the limits of the Town of Smyrna. Under the terms of the franchise agreement, which is in effect until December 31, 2029, the Company is authorized, subject to any necessary approvals from any state or federal regulatory body having jurisdiction over the Company,

to collect said franchise fee from the Company's customers within the Town of Smyrna by way of a surcharge on the customer's bill.

The Commission will consider whether to grant Chesapeake's application for the continuation of this surcharge at its regularly-scheduled meeting to be held on \_\_\_\_\_, commencing at 1:00 P.M. The meeting will be held in the Commission's office located at 861 Silver Lake Boulevard, Cannon Building, Suite 100, Dover, Delaware 19904. The Commission will render a decision based upon the evidence presented to it at this meeting.

If you wish to formally participate as a party in this matter, with the right to present evidence and be represented by counsel, you must file with the Commission a written petition asking for leave to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (26 Del. Admin. C. §1001-2.9) **on or before** \_\_\_\_\_. All such petitions should be e-filed according to the Commission's Rules (26 Del. Admin. C. §1001-1.6.4). Petitions filed after the deadline of \_\_\_\_\_, will not be considered except for good cause shown.

If you wish, you may file written comments concerning this application **on or before** \_\_\_\_\_. Any written comments should be filed with the Commission at its Dover address set forth above or by Internet e-mail addressed to [jason.r.smith@state.de.us](mailto:jason.r.smith@state.de.us).

You are invited to review Chesapeake's application and supporting documents to determine how your interests may be affected by going to DelaFile (<http://delafile.delaware.gov>), the Commission's file

management system, and by searching for Docket No. 15-xxxx.

If you would like to review documents at the Commission's offices, please contact Donna Nickerson at [donna.nickerson@state.de.us](mailto:donna.nickerson@state.de.us) to arrange a time for your review. You may also review copies of Chesapeake's application and supporting documents at the office of the Division of the Public Advocate located at 29 South State Street, Dover, DE 19901. Please call (302) 241-2555 to arrange for a time to review the documents at that location.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. The link to this form can be found on the Commission's website, <http://depssc.delaware.gov>, or by visiting this web address <https://delafile.delaware.gov/Complaints/FOIA.aspx>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 Del. C. ch. 100.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means.

If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by Internet e-mail addressed to [jason.r.smith@state.de.us](mailto:jason.r.smith@state.de.us).

# APPLICATION

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF DELAWARE**

**IN THE MATTER OF THE TARIFF FILING BY )  
CHESAPEAKE UTILITIES CORPORATION )  
FOR AN EXTENSION OF RATE SCHEDULE ) P.S.C. DOCKET NO. 15-  
"TSFF" CALLED TOWN OF SMYRNA )  
FRANCHISE FEE RIDER )**

Chesapeake Utilities Corporation (hereinafter sometimes called "Applicant") pursuant to 26 Del. C. 201 and 304, makes the following application for approval by the Commission of the continuation of rate schedule "TSFF", Town of Smyrna Franchise Fee Rider.

1. Applicant is Chesapeake Utilities Corporation, 909 Silver Lake Boulevard, Dover, Delaware 19904. All communications should be addressed to the Applicant at the following address, Attention: Sarah E. Hardy, Regulatory Analyst III, 350 South Queen Street, P.O. Box 1769, Dover, Delaware 19904 or at the following e-mail address: [shardy@chpk.com](mailto:shardy@chpk.com). The respective phone number and fax number are 302.734.6797, extension 6201 and 302.734.6011.

2. Counsel for the Applicant is William A. Denman, Esquire, Parkowski, Guerke & Swayze P.A., 116 West Water Street, P.O. Box 598, Dover, Delaware 19903. Correspondence and other communications concerning this application should be directed to counsel at the foregoing address, or at the following e-mail address: [wdenman@pgslegal.com](mailto:wdenman@pgslegal.com). The respective phone number and fax number are 302.678.3262 and 302.678.9415.

3. Applicant requests permission to continue to charge all of its respective natural gas customers within the Town of Smyrna the franchise fee paid by the Applicant to the Town of Smyrna pursuant to the Franchise Agreement attached hereto

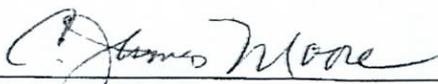
as Exhibit A. The franchise fee payable pursuant to the Franchise Agreement is required as a condition to Applicant's use of the Town of Smyrna's public roads and rights-of-way to provide natural gas service to the Town's residents. Under the Franchise Agreement, Applicant is required to continue paying the Town of Smyrna a franchise fee in the amount of \$0.0181 per Ccf of gas delivered to customers through Applicant's distribution system within the limits of the Town of Smyrna.

4. Applicant, subject to the Commission's approval, proposes to continue the surcharge until such time as the franchise fee payable to the Town of Smyrna is modified or terminated or until further order of the Commission. The volumetric franchise fee will not be applicable to any gas delivered to any customers from whom the Applicant is prohibited by law from collecting said surcharge. A copy of the revised Rate Schedule "TSFF" is attached to this application as Exhibit B.

WHEREFORE, the Applicant prays as follows:

- A. That the Commission file this Application and schedule it for hearing; and
- B. That the Commission approve the revised Rate Schedule "TSFF", Town of Smyrna Franchise Fee Rider, allowing Applicant to continue to charge customers within the limits of the Town of Smyrna a positive surcharge of \$0.0181 per Ccf for all customers.

CHESAPEAKE UTILITIES CORPORATION

BY:   
C. James Moore  
Vice President

Parkowski, Guerke & Swayze P.A.

BY:   
William A. Denman  
116 West Water Street  
Dover, DE 19903  
Attorney for Applicant

DATED: April 17, 2015

DATED: APRIL 17, 2015

STATE OF DELAWARE )  
                                  )  
COUNTY OF KENT        )

BE IT REMEMBERED that on this 17<sup>th</sup> day of April 2015 personally appeared before me, a notary public for the State and County aforesaid, C. James Moore, who being by me duly sworn, did depose and say that he is Vice President for Chesapeake Utilities Corporation, a Delaware corporation and insofar as the Application of Chesapeake Utilities Corporation states facts, said facts are true and correct, and insofar as those facts are not within his personal knowledge, he believes them to be true, and that the schedules accompanying this application and attached hereto are true and correct copies of the originals of the aforesaid schedules, and that he has executed this Application on behalf of the Company.

  
C. James Moore  
Vice President

SWORN TO AND SUBSCRIBED before me the day and year above written.

  
Notary Public  
My Commission Expires: 7-17-18



# FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

BY AND BETWEEN CHESAPEAKE UTILITIES CORPORATION  
AND THE TOWN OF SMYRNA, DELAWARE

1. Franchise. The exclusive right, privilege and franchise is hereby granted for a term of fifteen (15) years from the effective date hereof to Chesapeake Utilities Corporation ("Company") to carry on in the Town of Smyrna the business of acquiring, distributing and selling natural, mixed or manufactured gas for light, heat, power and other purposes. This franchise shall automatically renew for an additional term of fifteen (15) years upon terms and conditions mutually acceptable to both Parties, unless either Party hereto provides the other Party with written notice of termination at least 60 days prior to the expiration of the initial term. Failure to agree on a renewal, or an extension, shall result in the termination of this Agreement at the expiration of the initial term. This franchise shall not automatically renew unless the Company has notified the Town of Smyrna in writing of the upcoming automatic renewal at least 90 days prior to the pending expiration of the initial or any subsequent term. The exclusive right, privilege and franchise hereby granted shall be deemed to include the right to construct, operate and maintain in, along and upon the streets, alleys, bridges, public highways and other public places in the Town of Smyrna, Delaware, gas mains, valves, manholes, meters and service connections for the purpose of distributing gas for light, heat, power and other purposes to the said Town of Smyrna and the inhabitants thereof. The Company's rights hereunder shall not be assigned without the consent of the Town of Smyrna, which consent shall not be unreasonably withheld.

The Town may request reasonable extensions of the system to serve residents and/or non-residents of the Town. In evaluating a request for an extension, Chesapeake shall comply with the terms and conditions of Chesapeake's line extension policy, as set forth in Chesapeake's tariff on file with the Delaware Public Service Commission. After Chesapeake, at its sole expense, has conducted a cost analysis of any such request by the Town to extend the system, the financial responsibility of Chesapeake, the Town, the property owner, and any other party shall be reasonably determined, subject to the terms and conditions of Chesapeake's line extension policy.

2. Indemnification. Chesapeake, for itself, its successors and assigns, covenants and agrees to indemnify and hold harmless the Town, its directors, officers, agents, employees or designees, of and from any and all damage, injury, claim, penalty, judgments, costs, charges, expenses (including reasonable attorney's fees) and/or any other liability of any nature arising directly or indirectly from the exercise of Chesapeake's rights, privileges and franchise under this Agreement, including, but not limited to, any liability by reason of the distribution of gas under this Agreement, and in connection therewith, the operation or use of streets, alleys, bridges, public highways or other public places by Chesapeake. Notwithstanding the foregoing,

Chesapeake shall not be obligated to indemnify the Town, its directors, officers, agents, employees or designees for any claim or liability arising directly or indirectly out of the negligence of the Town. It is expressly understood and agreed that Chesapeake is and shall be deemed to be an independent contractor for purposes of this Agreement and shall therefore be solely responsible to all parties for its respective acts and/or omissions. This indemnification shall survive the termination of this Agreement. The Town of Smyrna shall be added as an additional insured under Chesapeake's general public liability policy. Chesapeake shall, at its sole cost and expense, provide and keep in force a general liability insurance policy protecting and indemnifying Chesapeake and the Town of Smyrna.

3. Permits. Before any street, alley, bridge, public highway or other public place is opened, obstructed or in any manner interfered with for the purpose of altering, installing or making additions to any of the gas mains, valves, manholes, meters or service connections for any other purpose, written application shall be made to the Town Manager or such other person as the Town Manager shall from time-to-time designate, setting forth in general terms the nature, location and extent of openings or obstructions desired and a permit from said Town Manager or such other designated person shall be obtained and all specifications set forth in said permit as to the minimum or maximum area or depth or both for openings or other matters, shall be strictly observed by the Company. The repairing and restoring of all openings and obstructions to the condition of the adjacent road bed shall be completed by the Company or by a firm or person employed by it as soon as practical and shall be completed in accordance with reasonable and customary standards of road construction at the sole expense of the Company. Provided, however, that upon the failure of the Company to make such repairs and restorations within fifteen (15) business days of the completion of work, subject to the availability of the necessary materials to complete the final repairs and restoration, unless such time is extended in writing by the Town Manager, the Town of Smyrna shall have the right to make such repairs or restorations or to employ a person or firm to make such repairs and restorations and charge the Company for all reasonable costs of such repairs and restoration of said streets. All work completed on behalf of or by Chesapeake shall be maintained by Chesapeake for a period of six (6) months after the completion of the work.

4. Location of Gas Facilities. If the location of any gas mains, valves, manholes, meters or service connections or the erection, laying or removal of the same, does not unreasonably interfere with ordinary travel and/or the use of the streets, utilities, alleys, bridges and public ways of the Town of Smyrna, and/or the use and enjoyment of private property, and otherwise complies with this Agreement, the Town Manager or other designated person shall approve the same and issue a permit or permits therefore.

5. Rates. The determination of the Company's rates shall be subject solely to the rules and regulations of such state or federal authority which shall have jurisdiction over this type of industry or enterprise.

6. Fees. In consideration of the granting of this franchise and pursuant to 26 Del.C. §1301, the Company shall pay the Town of Smyrna a franchise fee in the amount of \$.0181 per 100 cubic feet (ccf) of gas delivered to customers through the Company's distribution system within the limits of the Town of Smyrna during the term hereof. The Company is authorized, subject to any necessary approvals from any State or Federal regulatory body having jurisdiction over the Company, to collect said franchise fee from the Company's customers within the Town of Smyrna, including any future annexations of the Town of Smyrna, by way of a surcharge on the customer's bill. The franchise fee otherwise payable hereunder shall not apply to any gas delivered to any customer of the Company from whom the company is prohibited by law from collecting said surcharge. The franchise fee payable hereunder shall be paid annually based upon gas delivered for the period January 1 through December 31. Payment shall be due prior to March 1 of the following year.

7. Financial Information. During the term of this Agreement, the Company shall submit a written annual report to the Town, upon request, within three months of the end of the Company's fiscal year and in a form approved by the Town including the following information:

- Summary of previous year's activities in the development of the gas system and total number of customers.
- Details sufficient to allow the Town to ascertain that the standards prescribed by this Agreement are achieved and maintained.
- Fiscal and financial data sufficient to accurately document franchise fees payable.
- A list of the Company's local managers.
- Notice of any proceedings before any state or Federal Court, regulatory agency or governmental body that would or may affect this Agreement.

All information provided pursuant to this Section 7 shall be deemed confidential proprietary information of the Company and shall not be disclosed to any third party by the Town of Smyrna.

8. Taxes. All real property of the Company within the corporate limits of said Town of Smyrna shall be at all times subject to taxation in accordance with any law now or hereafter enacted provided that said taxes are based on uniform rates set by the Town applicable to all residents of the Town.

9. Receivership. The Town shall have the right to cancel this Agreement one hundred twenty (120) days after the appointment of a receiver or trustee to take over and conduct business of the Company, whether in receivership, reorganization, bankruptcy or other action or proceeding unless such receivership or trusteeship shall have been vacated prior to the expiration of said one hundred twenty (120) days or unless:

EXHIBIT A - FRANCHISE AGREEMENT

(a) within one hundred twenty (120) days after the election or appointment, such receiver or trustee shall have fully complied with all the provisions of this Agreement and remedied all defaults thereunder; and

(b) such receiver or trustee, within said one hundred twenty (120) days, shall have executed an agreement, duly approved by the court having jurisdiction in the premises, whereby such receiver or trustee assumes and agrees to be bound by each and every provision of this Agreement.

10. Definitions. For the purpose this of Agreement, the following terms, phrases, words and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number and words in the singular number include the plural number. The word "shall" is mandatory and "may" is permissive. Words not defined shall be given their common and ordinary meaning.

11. Force and Effect. This Agreement shall be in full force and effect and constitute a binding contract between the Town of Smyrna and the Company where the same shall have been duly adopted by a majority vote of the Council of the Town of Smyrna in any regular or special meeting wherein action is taken in compliance with Sections 5 and 22 of the Town Charter (36 Del Laws. Ch. 192) and when the provisions hereof shall have been accepted by the Company. This Agreement is also enacted pursuant to and in the manner provided for in 26 Del.C. §1301. This Agreement shall take effect on January 1, 2015.

12. Approval: Chesapeake warrants and represents that this Agreement represents the binding obligation of Chesapeake and that Chesapeake has acquired, or prior to the effective date will acquire, any and all necessary approvals from any third party whose approval is necessary, including but not limited to any approvals required by the Delaware Public Service Commission.

13. Compliance with Laws: Chesapeake shall comply with all applicable federal, state and local laws, ordinances and regulations related to the provision of gas services under this Agreement and any activity related thereto, including but not limited to, any rules and regulations adopted by the Delaware Public Service Commission, the Underground Utility Damage Prevention and Safety Act of Title 26 of the Delaware Code (as amended) and Chapter 13 ("Gas, Water and Oil Corporations") of Title 26 of the Delaware Code (as amended).

14. Notice: Any notice required herein shall be given by registered or certified mail, postage prepaid, addressed as follows:

If to the Town:

Town of Smyrna

Attn: Town Manager  
27 S. Market Street Plaza  
Smyrna, DE 19977

With a copy to:

D. Barrett Edwards, IV, Esquire  
Hudson Jones Jaywork, & Fisher  
225 S. State St.  
Dover, De 19901

If to Chesapeake:

Chesapeake Utilities Corporation, Inc.  
Attn: Vice President  
350 S. Queen St.  
Dover, De 19904

With a copy to:

William A. Denman, Esquire  
Parkowski, Guerke & Swayze PO Box 598  
Dover, De 19903

15. Entire Agreement: This Agreement comprises the entire Agreement between the parties hereto relative to the subject matter hereof, and upon the effective date hereof no earlier agreements, promises or other understandings entered into by either party or its predecessors or assignors in connection therewith, shall be of any force or effect.

16. Governing Law: This Agreement shall be governed by the laws of the State of Delaware and the parties hereto agree that the courts of Delaware shall have jurisdiction over any case or controversy and hereby consent to such jurisdiction.

17. Severability: In the event that any part of this Agreement is ruled invalid or unenforceable, the parties agree that this Agreement is deemed severable and that the balance of the terms will remain in full force.

18. Amendments: This Agreement shall not be amended except in writing executed by all parties hereto.

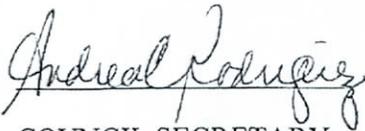
19. Contra Proferentum: The fact that one party has drafted this Agreement shall in no way be used against that party in construing the terms, conditions, and obligations hereunder. \_

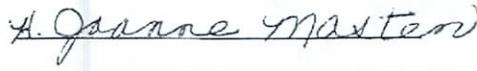
Adopted with the concurrence of a majority of all members of the Council of the Town of Smyrna at the regular meeting this 5<sup>th</sup> day of January, 2015.

EXHIBIT A - FRANCHISE AGREEMENT

ATTEST:

THE COUNCIL OF THE TOWN OF SMYRNA

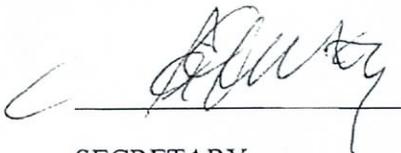
  
COUNCIL SECRETARY

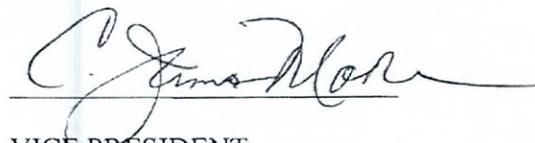
  
MAYOR

The foregoing franchise is hereby accepted this 6<sup>th</sup> day of MARCH, 2015, by Chesapeake Utilities Corporation.

ATTEST:

CHESAPEAKE UTILITIES CORPORATION

  
SECRETARY

  
VICE PRESIDENT

# TARIFF SHEETS

**RATE SCHEDULE "TSFF"**

**TOWN OF SMYRNA FRANCHISE FEE RIDER**

**PURPOSE**

The purpose of this rider is to recover the Town of Smyrna franchise fee, from all customers within the limits of the Town of Smyrna in accordance with the Franchise Agreement between the Company and the Town of Smyrna. This franchise fee will be in effect until December 31, 2029.

**APPLICABILITY**

The Town of Smyrna Franchise Fee Rider will be applicable to all firm and interruptible Delivery Service customers within the limits of the Town of Smyrna.

**RATE**

The rate applicable to all Delivery Service throughput is \$.0181 per Ccf.

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**Issue Date:** April 17, 2015

**Effective Date:** For Bills Rendered on and after September 3, 2008

**Authorization:**

P.S.C. Del. No. 4  
Chesapeake Utilities Corporation  
47  
Delaware Division

Second~~First~~ Revised Sheet No.

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**RATE SCHEDULE "TSFF"**

**TOWN OF SMYRNA FRANCHISE FEE RIDER**

**PURPOSE**

The purpose of this rider is to recover the Town of Smyrna franchise fee, from all customers within the limits of the Town of Smyrna in accordance with the Franchise Agreement between the Company and the Town of Smyrna. This franchise fee will be in effect until December 31, 2029~~2014~~.

**APPLICABILITY**

The Town of Smyrna Franchise Fee Rider will be applicable to all firm and interruptible Delivery Service customers within the limits of the Town of Smyrna.

**RATE**

The rate applicable to all Delivery Service throughput is \$.0181 per Ccf.

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Issue Date: April 17, 2015~~September 2, 2008~~

Effective Date: For Bills Rendered on and after September 3, 2008

Authorization: ~~Order No. 7434 dated September 2, 2008 in PSC Docket No. 07-186~~