

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

IN THE MATTER OF THE APPLICATION OF )  
CHESAPEAKE UTILITIES CORPORATION FOR ) PSC DOCKET NO. 08-305  
APPROVAL OF THE ISSUANCE OF LONG- )  
TERM DEBT (FILED SEPTEMBER 29, 2008) )

**ORDER NO. 7464**

This 23<sup>rd</sup> day of October, 2008, the Delaware Public Service Commission ("the Commission") determines and orders the following:

1. On September 29, 2008, Chesapeake Utilities Corporation ("Chesapeake" or "the Company") filed an application with the Commission requesting approval, under 26 Del. C. § 215(e), for issuance of up to \$10,000,000 of Chesapeake unsecured long-term debt securities. The Company plans to issue a total of \$30,000,000 in unsecured long-term debt securities, with \$20,000,000 already previously approved by the Commission by Order No. 7065 (Oct. 31, 2006) in PSC Docket No. 06-339.

2. Under 26 Del. C. § 215(e)(2), the Commission may investigate and hold such hearings in this matter as it deems necessary and, thereafter, may approve the plan in whole or in part with such modification and upon such terms and conditions as it deems appropriate. Section 215(e)(2) further requires the Commission to approve any financing plan when the proposed financings are to be made in accordance with law, for proper purposes, and are consistent with the public interest. The Commission may also review the plan for consistency with efficient and reasonable financing principles.

3. Under 26 Del. C. § 215(e)(2), the Commission may require Chesapeake to file periodic reports as to the action taken pursuant to the plan. Section 215(e)(2) further requires the Commission to approve, modify, refuse, or prescribe appropriate terms and conditions with respect to any such plan within 30 days of its filing. In the absence of such action within 30 days, the proposed financing plan will be deemed to be approved as filed as if the Commission itself had acted favorably thereon.

4. The Commission Staff has reviewed and examined the proposed financing plan and the schedules and exhibits appended thereto, and determines that the proposed plan is consistent with efficient and reasonable financing principles, is for a proper purpose, and is consistent with the public interest. Accordingly, Staff recommends that the Commission approve Chesapeake's proposed financing plan. Staff further recommends that the Commission direct Chesapeake to file the Company's current loan agreement within 30 days of closing the debt transaction with Metropolitan Life Insurance Company.

Now, therefore, **IT IS ORDERED:**

1. That, the Commission having independently reviewed this matter and having determined that public notice and hearing are not required, finds that the application for approval of the issuance of long-term debt filed by Chesapeake Utilities Corporation with the Commission on September 29, 2008 is consistent with efficient and reasonable financing principles, is for a proper purpose, is in accordance with law, is consistent with the public interest, and is, therefore, hereby approved.

2. That, nothing in this Order shall be construed as a guarantee, warranty, or representation by the State of Delaware or by any agency, commission, or department thereof with respect to the indebtedness of Chesapeake Utilities Corporation, which may be issued or incurred under the financing plan herein approved.

3. That, Chesapeake Utilities Corporation shall file the current loan agreement for the Application within 30 days following the closing of its debt transaction with Metropolitan Life Insurance Company.

4. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae  
Chair

/s/ Joann T. Conaway  
Commissioner

/s/ Jaymes B. Lester  
Commissioner

/s/ Dallas Winslow  
Commissioner

/s/ Jeffrey J. Clark  
Commissioner

ATTEST:

/s/ Karen J. Nickerson  
Secretary