

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

IN THE MATTER OF THE APPLICATION)
OF CHESAPEAKE UTILITIES)
CORPORATION FOR APPROVAL)
OF A CHANGE IN ITS GAS SALES) PSC DOCKET NO. 08-269F
SERVICE RATES ("GSR") TO BE) (PHASE II)
EFFECTIVE NOVEMBER 1, 2008)
(Filed September 2, 2008))

ORDER NO. 7677

AND NOW, this 20nd day of October, 2009:

WHEREAS, on September 29, 2009, after receipt of the opening brief of Chesapeake Utilities Corporation ("Chesapeake") but before submission of the answering briefs of Staff and the Division of the Public Advocate (the "Public Advocate"), the Hearing Examiner issued a proposed report and recommendation in which he recommended that the Delaware Public Service Commission (the "Commission") require Staff to obtain a "no action" letter from the Federal Energy Regulatory Commission (the "FERC") and stay the briefing in this Phase II while Staff obtained such a letter; and

WHEREAS, on September 29, 2009, Staff filed with the Commission a "Motion Requesting Immediate Commission Consideration of the Hearing Examiner's Report and Recommendation Dated September 28, 2009 Requiring the Delaware Public Service Commission Staff to Obtain a "No Action" Letter from the Federal Energy Regulatory Commission (the "FERC") at its October 6, 2009 Regular Meeting and Requesting Assignment of New Hearing Examiner; and

WHEREAS, on September 29, 2009 Staff filed exceptions to the Hearing Examiner's Report; and

WHEREAS, on October 1, 2009, Chesapeake filed exceptions to the Hearing Examiner's Report; and

WHEREAS, on October 5, 2009, the Public Advocate filed exceptions to the Hearing Examiner's Report; and

WHEREAS, the Commission has considered Staff's Motion and the exceptions filed by Staff, Chesapeake and the Public Advocate (together, the "Exceptions"); and

WHEREAS, at its regularly scheduled meeting on October 6, 2009, the Commission heard oral argument on the Motion and Exceptions and deliberated in public on the Motion and Exceptions;

NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE VOTE OF NOT FEWER THAN THREE COMMISSIONERS:

1. That Staff's Request for Immediate Commission Consideration of the Hearing Examiner's Report and Recommendation Dated September 28, 2009 is GRANTED.
2. That the Commission rejects the Hearing Examiner's Report and Recommendation Dated September 28, 2009 Requiring the Delaware Public Service Commission Staff to Obtain a "No Action" Letter from the Federal Energy Regulatory Commission because of (1) the procedural infirmity in issuing such report and recommendation before Staff and the Public Advocate filed their answering briefs and before Chesapeake filed its reply brief; and (2) the fact that the Hearing Examiner's recommended procedure would not resolve the matter in any event.

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3. That the briefing schedule established at the conclusion of the evidentiary hearing on September 2, 2009 shall remain in place. Staff and the Public Advocate shall submit their answering briefs as scheduled on October 14, 2009, and the Company shall submit its reply brief as scheduled on October 26, 2009.
4. That Staff's request to reassign a new Hearing Examiner to this docket is DENIED.
5. That the Commission retains the jurisdiction and authority to enter such further orders in this case as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Chair

Joann T. Conaway_____
Commissioner

Jeffrey J. Clark_____
Commissioner

Jaymes B. Lester_____
Commissioner

Commissioner

ATTEST:

Katie Rochester_____
Acting Secretary