

**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. 7799

AND NOW, this 6th day of July, 2010:

WHEREAS, on May 18, 2010, the Delaware Public Service Commission (the "Commission") issued its Final Findings, Opinion and Order No. 7778 in this docket; and

WHEREAS, on May 24, 2010, the Division of the Public Advocate ("DPA") filed a Petition for Rehearing and Reconsideration of the Commission's decision not to order Chesapeake Utilities Corporation to credit the Gas Sales Service ("GSR") rate with the difference between the maximum FERC-approved rate for Zone 1 and Zone 2 sales of capacity and the price at which Chesapeake sold that capacity to its affiliate Peninsula Energy Services Company ("PESCO") from June 1, 2008 onward; and

WHEREAS, on June 4, 2010 Chesapeake Utilities Corporation ("Chesapeake") responded to the DPA's Petition for Rehearing and Reconsideration; and

WHEREAS, the Commission, having reviewed the parties' submissions and having heard oral argument from the DPA and Chesapeake at its regularly-scheduled meeting on June 15, 2010, does not believe that it misapprehended the facts or the law in reaching its decision not to order Chesapeake to credit the GSR rate with the difference between

the FERC-approved maximum rates for capacity sales and the rate at which Chesapeake sold capacity to PESCO;

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

1. That the Petition of the Division of the Public Advocate for Rehearing and Reconsideration is **DENIED**.

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae
Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Dallas Winslow
Commissioner

Commissioner

ATTEST:

/s/ Alisa Carrow Bently
Secretary