

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

IN THE MATTER OF THE APPLICATION OF)
CHESAPEAKE UTILITIES CORPORATION) PSC DOCKET NO. 10-129
FOR APPROVAL OF THE ISSUANCE OF)
COMPANY STOCK (Filed April 5, 2010))

ORDER NO. 7769

AND NOW, this 4th day of May 2010:

WHEREAS, on April 5, 2010, Chesapeake Utilities Corporation ("Chesapeake" or the "Applicant") filed an application (the "Application") pursuant to 26 Del. C. §215 seeking Commission approval of the issuance of up to 600,000 shares of Chesapeake voting common stock to be used in meeting Chesapeake's matching obligations under its Company's Retirement Savings Plan; and

WHEREAS, the Commission having examined the Application and made such investigation in connection with said matters as the Commission deemed necessary, and having heard the presentation of Chesapeake and the Commission Staff at the Commission meeting of May 4, 2010; and

WHEREAS, under the holding of *Diamond State Tel. Co. v. Public Service Commission*, Del. Supr., 367 A.2d 644 (1976), the Commission is limited in its authority with respect to utility financing and stock issuance applications pursuant to 26 Del. C. §215 to the extent that, among other things, the future rate impact of the proposed financing is not deemed an appropriate consideration in making a determination concerning such applications; and

WHEREAS, the Commission Staff has conducted an examination and investigation of the Application and has concluded that Chesapeake's proposed issuance of 600,000 shares of common stock is made in

accordance with law, made for a proper purpose, and is consistent with the public interest;

NOW THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE VOTE OF NO FEWER THAN THREE COMMISSIONERS:

1. That the proposed issuance of up to 600,000 shares of common voting stock by Chesapeake Utilities Corporation, to be used in meeting Chesapeake's matching obligations under its Retirement Savings Plan, is made in accordance with law, made for a proper purpose, and is consistent with the public interest.

2. That the Application is hereby approved and Chesapeake Utilities Corporation is hereby authorized to issue up to 600,000 new shares of common voting stock to be used for the purpose set forth above.

3. That said approval of Chesapeake Utilities Corporation's Application shall not be construed: as approving any capitalization ratios that result for any purposes or procedures involving ratemaking; or as approving any portions of the Retirement Savings Plan or the Shareholders' Rights Agreement for the purposes of any future ratemaking proceeding; or as relieving the Company of its burden of proving the merits of any related issue in any future ratemaking proceeding. The Commission's approval of the Application is limited to that which is necessary under 26 Del. C. §215.

4. 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 hereof, with respect to the

common voting stock to be issued pursuant to the Application and this Order.

5. That Chesapeake Utilities Corporation is hereby placed on notice that the costs of the investigation will be charged to it under the provisions of 26 Del. C. §114(b).

6. 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/ Jeffrey J. Clark
Commissioner

Commissioner

ATTEST:

/s/ Alisa Carrow Bentley
Secretary