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Gunster

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March 31, 2026

VIA E-FILING

Mr. Adam Teitzman, Clerk
Office of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: **Docket 20240154-GU -- Application for authorization to issue common stock, preferred stock, and secured and/or unsecured debt, and to enter into agreements for interest rate swap products, equity products and other financial derivatives in 2025, by Chesapeake Utilities Corporation.**

Dear Mr. Teitzman:

Pursuant to the directions contained in Order No. PSC-2025-0032-FOF-GU (Docket No. 20240154-GU), and in accordance with Rule 25-8.009, Florida Administrative Code, please find attached the Consummation Report of Chesapeake Utilities Corporation regarding the issuance and sale of securities during the fiscal year ended December 31, 2025.

Thank you for your assistance in connection with this filing. If you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

March 30, 2026

Mr. Adam Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: Docket No. 20240154-GU: Application for authorization to issue and sell securities, and to enter into agreements for interest rate swap products, equity products and other financial derivatives in 2025, by Chesapeake Utilities Corporation. – CONSUMMATION REPORT

Dear Mr. Teitzman:

Chesapeake Utilities Corporation (Chesapeake or the Company) respectfully files this Consummation Report (original and three copies) on the issuance of securities for the fiscal year ended December 31, 2025 in compliance with Rule 25-8.009, Florida Administrative Code. This is a consolidated filing of Chesapeake Utilities Corporation, including its subsidiaries Florida Public Utilities Company and Florida City Gas. In satisfaction of the Consummation Report requirements, Chesapeake sets forth the following information:

1. On January 27, 2025, the Florida Public Service Commission (FPSC) issued Order No. PSC-2025-0032-FOF-GU, which authorized Chesapeake to issue up to 900,000 shares of common stock for the purpose of administering Chesapeake's Retirement Savings Plan, Stock and Incentive Compensation Plan, and Dividend Reinvestment and Stock Purchase Plan. The Order further approved the issuance by Chesapeake of up to $800 million in new secured and/or unsecured long-term debt for general corporate purposes. The $800 million in new secured and/or unsecured debt could be initially issued through a bridge loan in the form of bank notes or some similar form of short-term obligations, for example, in support of and to fund acquisitions. The Order provided that the Company could issue short-term debt obligations in an amount not to exceed $600 million. In addition, the Order authorized Chesapeake to issue up to 3,000,000 shares of common stock or an equity-linked instrument equivalent in value, to permanently finance the Company's ongoing capital expenditures program, as well as 6,000,000 shares of common stock to finance the Company's ongoing acquisition program. Chesapeake was also authorized to issue up to 2,000,000 shares of Chesapeake preferred stock for

possible acquisitions, financing transactions, and other general corporate purposes. Lastly, Chesapeake received authorization pursuant to the Order to enter into agreements for Interest Rate Swap Products in an amount, in the aggregate not to exceed $600 million.

2. Chesapeake currently maintains a multi-tranche short-term borrowing facility with total capacity of $450,000,000, exclusive of the accordion provisions described below. The two tranches of the revolving credit facility consist of a $250,000,000 364-day short-term debt tranche with two (2) remaining one-year extension options and a $200,000,000 five-year tranche with three (3) one-year extension options. The 364-day tranche and five-year tranche have accordion provisions of $50,000,000 and $100,000,000, respectively, which gives the Company the ability, subject to the banks' approval, to increase the size of the facility by $150,000,000. The 364-day tranche of the credit facility expires in August 2026 and the five-year tranche expires in August 2029. Chesapeake may from time to time add additional lines of credit or term loans to meet short-term financing needs. As of December 31, 2025, $157,985,742 was outstanding under the revolving credit agreement as short-term borrowing.

3. For the twelve-month period ended December 31, 2025, Chesapeake issued the following equity:

   (a) **0** shares of common stock were issued for the purpose of administering Chesapeake's Retirement Savings Plan.

   (b) **36,122** shares of common stock were issued for the Stock and Incentive Compensation Plan.

   (c) **690,738** shares of common stock were issued for the purpose of administering Chesapeake's Dividend Reinvestment and Direct Stock Purchase Plan (DRIP).

   For the above three plans, the Company has the option of administering them by issuing

new equity, issuing shares from reserves or purchasing shares on the open market.

(d) **269,988** shares of common stock were issued pursuant to the Company's At-the-Market (ATM) program under a prospectus supplement dated November 22, 2024.

4. For the twelve-month period ended December 31, 2025, Chesapeake issued $200,000,000 of new unsecured long-term debt in the form of senior notes as follows:

Senior Note	Amount	Issuance Date
4.88% Notes Due August 1, 2028	$60,000,000	August 1, 2025
5.16% Notes Due August 1, 2031	$90,000,000	August 1, 2025
5.02% Notes Due September 15, 2030	$50,000,000	September 15, 2025

5. For the twelve-month period ended December 31, 2025, Chesapeake did not issue any preferred equity.

6. For the twelve-month period ended December 31, 2025, Chesapeake did not enter into any agreements for any new interest rate swap products. In 2024, Chesapeake entered into SOFR fixed interest rate swaps with a notional amount of $50,000,000 through August 2029, with pricing of 3.97 percent. In 2022, Chesapeake entered into SOFR fixed interest rate swaps with a notional amount of $50,000,000 which matured September 2025, with pricing of 3.98 percent.

7. Schedules showing capitalization, pretax interest coverage and debt interest requirements as of December 31, 2025, are attached hereto as Exhibit A.

Except for those agreements provided as Exhibits to this document, copies of all Plans, Agreements,

registration filings with the Securities and Exchange Commission and Orders of the Delaware Public Service Commission authorizing the issuance of the above securities have been previously filed with the FPSC and are hereby incorporated by reference.

8. A copy of Chesapeake's most current Form 10-K as filed with the Securities and Exchange Commission is attached hereto as Exhibit B.

We respectfully submit this Consummation Report on the issuance of securities by Chesapeake Utilities Corporation, Florida Public Service Commission Docket No. 20240154-GU, this 30th day of March 2026.

Sincerely,

CHESAPEAKE UTILITIES CORPORATION

Beth W. Cooper

Beth W. Cooper
Executive Vice President and Chief Financial Officer,

CHESAPEAKE UTILITIES CORPORATION
Summary of Exhibits

Exhibit Reference	Description
Exhibit A	Schedules showing capitalization, pretax interest coverage and debt requirements as of December 31, 2025
Exhibit B	Form 10-K for the year ended December 31, 2025
Exhibit C	Note Purchase Agreements – $60 Million 4.88% Senior Notes $90 Million 5.16% Senior Notes $50 Million 5.02% Senior Notes

CHESAPEAKE UTILITIES CORPORATION

Notes to Capitalization, Income and
Pretax Interest Coverage Schedules
Actual December 31, 2025 and Pro Forma after Issuance

The following adjustments have been made to capitalization:

1. Common Stock – Number of shares (996,848) times total cash value per share of $129.12 (inclusive of $0.4867 par value per share), with the shares issued for the following purposes:

    - 36,122 shares for the Stock and Incentive Compensation Plan
    - 690,738 shares under the Dividend Reinvestment and Direct Stock Purchase Plan.
    - 0 shares under the Retirement Savings Plan
    - 269,988 shares under the At-the-Market (ATM) program

3. Long-Term Debt –

    - $60,000,000 – August 1, 2025 at 4.88%
    - $90,000,000 – August 1, 2025 at 5.16%
    - $50,000,000 – September 15, 2025 at 5.02%

4. Short-Term Debt –

    - Amount Authorized: $600,000,000
    - Amount Outstanding as of December 31, 2025: $157,985,742

CHESAPEAKE UTILITIES CORPORATION
Capitalization Ratios Actual December 31, 2024 & Pro Forma after Issuance
UNAUDITED

TYPE OF CAPITAL	ACTUAL BEFORE ISSUANCE AMOUNT OUTSTANDING as of 12/31/2024	% OF TOTAL	2025 Changes excluding Long-term Financings	2025 Before PRO FORMA ADJUSTMENT	PRO FORMA AFTER ISSUANCE Financing PRO FORMA ADJUSTMENT	AMOUNT OUTSTANDING as of 12/31/2025	% OF TOTAL
STOCKHOLDERS' EQUITY							
COMMON STOCK[1]	$ 11,145,445	0.39%	$ -	$ 11,145,445	$ 485,009	$ 11,630,453	0.36%
PAID IN CAPITAL[1]	830,419,882	28.89%	4,121,958	834,541,840	128,230,489	962,772,329	29.92%
RETAINED EARNINGS	550,310,549	19.15%	76,457,318	626,767,866	-	626,767,866	19.48%
ACCUMULATED OTHER COMPREHENSIVE	(1,659,857)	-0.06%	(1,060,691)	(2,720,548)	-	(2,720,548)	-0.08%
DEFERRED COMPENSATION OBLIGATION	9,847,890	0.34%	2,780,538	12,628,428	-	12,628,428	0.39%
TREASURY STOCK	(9,847,890)	-0.34%	(2,780,538)	(12,628,428)	-	(12,628,428)	-0.39%
PREFERRED STOCK	-	0.00%	-	-	-	-	0.00%
TOTAL STOCKHOLDERS' EQUITY	$ 1,390,216,019	48.37%	$ 79,518,585	$ 1,469,734,603	$ 128,715,498	$ 1,598,450,101	49.67%
LONG-TERM DEBT							
SENIOR NOTES [1] [2]	1,261,744,126	43.90%	(134,610,460)	1,127,133,666	200,000,000	1,327,133,666	41.24%
OTHER	-	0.00%	-	-	-	-	0.00%
TOTAL LONG-TERM DEBT	$ 1,261,744,126	43.90%	$ (134,610,460)	$ 1,127,133,666	$ 200,000,000	$ 1,327,133,666	41.24%
TOTAL PERMANENT CAPITAL	$ 2,651,960,144	92.27%	$ (55,091,875)	$ 2,596,868,269	$ 328,715,498	$ 2,925,583,767	90.91%
CURRENT PORTION OF LTD	$ 25,527,692	0.89%	$ 109,023,098	$ 134,550,791	$ -	$ 134,550,791	4.18%
SHORT-TERM DEBT							
SHORT-TERM DEBT[1]	$ 196,530,611	6.84%	$ 290,170,629	$ 486,701,240	$ (328,715,498)	$ 157,985,742	4.91%
SHORT-TERM DEBT	$ 196,530,611	6.84%	$ 290,170,629	$ 486,701,240	$ (328,715,498)	$ 157,985,742	4.91%
TOTAL CAPITALIZATION	$ 2,874,018,448	100.00%	$ 344,101,852	$ 3,218,120,300	$ -	$ 3,218,120,300	100.00%
				$ (0)			

(1) In 2025 Chesapeake issued 996,848 shares of common stock and $200,000,000 of senior notes.

(2) New senior note issuances:
$60,000,000 at 4.88%
$90,000,000 at 5.16%
$50,000,000 at 5.02%

CHESAPEAKE UTILITIES CORPORATION
Statement of Income and Pretax Interest Coverage
Actual December 31, 2024 & Pro Forma after Issuance

UNAUDITED

		Actual Before Issuance	2025 Changes excluding Long-term Financings	2025 Before PRO FORMA ADJUSTMENT	Pro Forma Adjustment	2025 Actual After Issuance
	Statement of Income					
1	Operating revenues	$787,198,853	$142,811,067	$930,009,920	$0	$930,009,920
2	Operating expenses before income taxes	558,975,518	115,141,042	674,116,560	0	674,116,560
3	Income taxes (including Deferrals)	43,215,948	8,663,978	51,879,926	829,957	52,709,883
4	Operating Income (1-(2+3))	185,007,387	19,006,047	204,013,434	(829,957)	203,183,477
5	Other Income, Net	1,943,675	7,666,929	9,610,604	0	9,610,604
6	Income Before Interest Charges (4+5)	186,951,062	26,672,976	213,624,038	(829,957)	212,794,081
7	Interest Charges **(b)**	68,351,278	7,210,133	75,561,411	(3,040,136)	72,521,275
8	Income from Continuing Operations (6-7)	$118,599,784	$19,462,843	$138,062,627	$2,210,179	$140,272,806
9	Preferred stock dividends	$0	$0	$0	$0	$0
10	Earnings available to common equity (8-9)	$118,599,784	$19,462,843	$138,062,627	$2,210,179	$140,272,806
11	Pretax Interest Coverage ((3+6)/7)	3.37		3.51	N/A	3.66

	Amount	Months	Rate	Annualized Interest
New Issue Debt (8/1/25)	$ 60,000,000	5	4.88%	$ 1,220,000
Short-Term Financing	$ (60,000,000)	5	4.95%	$ (1,237,500)
New Issue Debt (8/1/25)	$ 90,000,000	5	5.16%	$ 1,935,000
Short-Term Financing	$ (90,000,000)	5	4.95%	$ (1,856,250)
New Issue Debt (9/15/25)	$ 50,000,000	3.5	5.02%	$ 732,083
Short-Term Financing	$ (50,000,000)	3.5	4.85%	$ (707,292)
Equity Financing	$ 128,715,498	5.8		
Short-Term Financing	$ (128,715,498)	5.8	5.03%	$ (3,126,178)
Total Interest Expense (Savings)				$ (3,040,136)
			Tax Rate	27.3%
			Income Taxes	$ (829,957)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the Fiscal Year Ended: December 31, 2025**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 001-11590

CHESAPEAKE UTILITIES CORPORATION

(Exact name of registrant as specified in its charter)

State of Delaware	**51-0064146**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

500 Energy Lane, Dover, Delaware 19901
(Address of principal executive offices, including zip code)

302-734-6799
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock—par value per share $0.4867	CPK	New York Stock Exchange, Inc.

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the common shares held by non-affiliates of Chesapeake Utilities Corporation as of June 30, 2025, the last business day of its most recently completed second fiscal quarter, based on the last sale price on that date, as reported by the New York Stock Exchange, was approximately $2.8 billion.

The number of shares of Chesapeake Utilities Corporation's common stock outstanding as of February 23, 2026 was 23,936,406.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Chesapeake Utilities Corporation Proxy Statement for the 2026 Annual Meeting of Stockholders are incorporated by reference in Part II and Part III hereof.

CHESAPEAKE UTILITIES CORPORATION

FORM 10-K

YEAR ENDED DECEMBER 31, 2025

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GLOSSARY OF DEFINITIONS

ASC: Accounting Standards Codification issued by the FASB

Adjusted Gross Margin: A non-GAAP measure calculated by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements

Aspire Energy: Aspire Energy of Ohio, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Aspire Energy Express: Aspire Energy Express, LLC, a wholly-owned subsidiary of Chesapeake Utilities

ASU: Accounting Standards Update issued by the FASB

ATM: At-the-market

BOD: Chesapeake Utilities Corporation's Board of Directors

CDD: Cooling Degree-Day

CFG: Central Florida Gas Company, a division of Chesapeake Utilities

Chesapeake, Chesapeake Utilities or Company: Chesapeake Utilities Corporation, individually or collectively with its divisions and subsidiaries, as appropriate in the context of the disclosure

CHP: Combined Heat and Power Plant

CNG: Compressed natural gas

Degree-day: Measure of the variation in the weather based on the extent to which the average daily temperature (from 10:00 am to 10:00 am) falls above (CDD) or below (HDD) 65 degrees Fahrenheit

Delmarva Peninsula: A peninsula on the east coast of the U.S. occupied by Delaware and portions of Maryland and Virginia

Diversified Energy: An entity from whom we acquired certain propane operating assets in North Carolina, South Carolina, Virginia, and Pennsylvania

DRIP: Dividend Reinvestment and Direct Stock Purchase Plan

Dt(s): Dekatherm(s), which is a natural gas unit of measurement that includes a standard measure for heating value

Dts/d: Dekatherms per day

Eastern Shore: Eastern Shore Natural Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

Eight Flags: Eight Flags Energy, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Elkton Gas: Elkton Gas Company, a wholly-owned subsidiary of Chesapeake Utilities

FASB: Financial Accounting Standards Board

FCG or Florida City Gas: Pivotal Utility Holdings, Inc., doing business as Florida City Gas, a wholly-owned subsidiary of Chesapeake Utilities that was acquired from Florida Power & Light Company on November 30, 2023

FERC: Federal Energy Regulatory Commission

FGT: Florida Gas Transmission Company, an unaffiliated pipeline network that supplies natural gas to FPU

Florida Natural Gas: Refers to the Company’s legacy Florida natural gas distribution operations (excluding FCG) that were consolidated under FPU, for both rate-making and operations purposes

Florida OPC: The Office of Public Counsel, an agency established by the Florida legislature who advocates on behalf of Florida's utility consumers prior to actions or rule changes

FPU: Florida Public Utilities Company, a wholly-owned subsidiary of Chesapeake Utilities

GAAP: Generally Accepted Accounting Principles

Gross Margin: A term which is the excess of sales over costs of goods sold

GUARD: Gas Utility Access and Replacement Directive, a PSC approved capital infrastructure program to enhance the safety, reliability and accessibility of portions of FPU's natural gas distribution system

Gulfstream: Gulfstream Natural Gas System, LLC, an unaffiliated pipeline network that supplies natural gas to FPU

HDD: Heating Degree-Day

LNG: Liquefied natural gas

Marlin Gas Services: Marlin Gas Services, LLC, a wholly-owned subsidiary of Chesapeake Utilities

Maryland OPC: The Office of People's Counsel, an agency established by the Maryland legislature who advocates on behalf of Maryland's utility consumers prior to actions or rule changes

MetLife: MetLife Investment Advisors, an institutional debt investment management firm, with which we have previously issued Senior Notes and which is a party to the current MetLife Shelf Agreement, as amended

MGP: Manufactured gas plant, which is a site where coal was previously used to manufacture gaseous fuel for industrial, commercial and residential use

MW: Megawatt, which is a unit of measurement for electric power or capacity

NOL: Net operating loss(es)

Peninsula Pipeline: Peninsula Pipeline Company, Inc., a wholly-owned subsidiary of Chesapeake Utilities

PHMSA: United States Department of Transportation Pipeline and Hazardous Materials Safety Administration

Prudential: Prudential Investment Management Inc., an institutional investment management firm, with which we have previously issued Senior Notes and which is a party to the current Prudential Shelf Agreement, as amended

PSC: Public Service Commission, which is the state agency that regulates utility rates and/or services in certain of our jurisdictions

Revolver: Our $450.0 million unsecured revolving credit facility with certain lenders

RNG: Renewable natural gas

ROE: Return on equity

RSAM: Reserve surplus amortization mechanism which was approved by the Florida PSC and was applicable to FCG prior to being completely utilized by December 31, 2024.

Sandpiper Energy: Sandpiper Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

SAFE: Safety, Access, and Facility Enhancement, a PSC approved capital infrastructure program to enhance the safety, reliability and accessibility of portions of FCG’s natural gas distribution system

SEC: Securities and Exchange Commission

Senior Notes or Uncollateralized Senior Notes: Our unsecured long-term debt issued primarily to insurance companies on various dates

Sharp: Sharp Energy, Inc., a wholly-owned subsidiary of Chesapeake Utilities

Shelf Agreement: An agreement entered into by Chesapeake Utilities and a counterparty pursuant to which Chesapeake Utilities may request that the counterparty purchase our unsecured senior debt with a fixed interest rate and a maturity date not to exceed 20 years from the date of issuance

SICP: Stock and Incentive Compensation Plan pursuant to which we grant stock-based compensation awards

SOFR: Secured Overnight Financing Rate, a secured interbank overnight interest rate established as an alternative to LIBOR

TCJA: Tax Cuts and Jobs Act enacted on December 22, 2017

TETLP: Texas Eastern Transmission, LP, an interstate pipeline interconnected with Eastern Shore's pipeline

Transco: Transcontinental Gas Pipe Line Company, LLC, an interstate pipeline interconnected with Eastern Shore's pipeline

U.S.: The United States of America

PART I

References in this document to “Chesapeake,” “Chesapeake Utilities,” the “Company,” “we,” “us” and “our” mean Chesapeake Utilities Corporation, its divisions and/or its subsidiaries, as appropriate in the context of the disclosure.

Safe Harbor for Forward-Looking Statements

We make statements in this Annual Report on Form 10-K (this "Annual Report") that do not directly or exclusively relate to historical facts. Such statements are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. One can typically identify forward-looking statements by the use of forward-looking words, such as “project,” “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “continue,” “potential,” “forecast” or other similar words, or future or conditional verbs such as “may,” “will,” “should,” “would” or “could.” These statements represent our intentions, plans, expectations, assumptions and beliefs about future financial performance, business strategy, projected plans and objectives of the Company. Forward-looking statements speak only as of the date they are made or as of the date indicated and we do not undertake any obligation to update forward-looking statements as a result of new information, future events or otherwise. These statements are subject to many risks and uncertainties. In addition to the risk factors described under *Item 1A, Risk Factors*, the following important factors, among others, could cause actual future results to differ materially from those expressed in the forward-looking statements:

- state and federal legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rate structures, and affect the speed and the degree to which competition enters the electric and natural gas industries;
- the outcomes of regulatory, environmental and legal matters, including whether pending matters are resolved within current estimates and within expected timeframes, and whether the related costs are adequately covered by insurance or recoverable in rates;
- the impact of climate change, including the impact of greenhouse gas emissions or other legislation or regulations intended to address climate change;
- the impact of significant changes to tax regulations and rates;
- the timing of certification authorizations associated with new capital projects and the ability to construct facilities at or below estimated costs, and within estimated timeframes;
- changes in environmental and other laws and regulations to which we are subject and environmental conditions of property that we now, or may in the future, own or operate;
- changes in the current political environment, including the effect that a new Presidential administration could have on energy policy, the economy and consumer confidence;
- possible increased federal, state and local regulation of the safety of our operations;
- the availability and reliability of adequate technology, including our ability to adapt to technological advances, effectively implement new technologies and manage the related costs;
- the inherent hazards and risks involved in transporting and distributing natural gas, electricity and propane;
- the economy in our service territories or markets, the nation, and worldwide, including the impact of economic conditions (which we do not control) on demand for natural gas, electricity, propane or other fuels;
- risks related to cyber-attacks or cyber-terrorism that could disrupt our business operations or result in failure of information technology systems or result in the loss or exposure of confidential or sensitive customer, employee or Company information;
- issues relating to the implementation and effective use of technologies to support our business, including artificial intelligence;
- adverse weather conditions, including the effects of hurricanes, ice storms and other damaging weather events;
- customers' preferred energy sources and our expectations regarding customer consumption;
- industrial, commercial and residential growth or contraction in our markets or service territories;
- the effect of competition on our businesses from other energy suppliers and alternative forms of energy;
- the timing and extent of changes in commodity prices and interest rates;
- the effect of spot, forward and future market prices on our various energy businesses;
- the extent of our success in connecting natural gas and electric supplies to our transmission systems, establishing and maintaining key supply sources, and expanding natural gas and electric markets;
- the creditworthiness of counterparties with which we are engaged in transactions;
- the capital-intensive nature of our regulated energy businesses;
- our ability to access the credit and capital markets to execute our business strategy, including our ability to obtain increased amounts of debt and equity financing on favorable terms, which can be affected by various factors, including credit ratings and general economic conditions;
- the ability to successfully execute, manage and integrate a merger, acquisition or divestiture of assets or businesses and the related regulatory or other conditions associated with the merger, acquisition or divestiture;

- the impact on our costs and funding obligations, under our pension and other post-retirement benefit plans, of potential downturns in the financial markets, lower discount rates, and costs associated with health care legislation and regulation;
- the ability to continue to hire, train and retain appropriately qualified personnel;
- the availability of, and competition for, qualified personnel supporting our natural gas, electricity and propane businesses;
- the effect of accounting pronouncements issued periodically by accounting standard-setting bodies; and
- the impacts associated with a pandemic, including the duration and scope of the pandemic, the corresponding impact on our supply chains, our personnel, our contract counterparties, general economic conditions and growth, the financial markets and any costs to comply with governmental mandates.

ITEM 1. Business.

Corporate Overview and Strategy

Chesapeake Utilities Corporation is a Delaware corporation formed in 1947 with operations primarily in the Mid-Atlantic region, North Carolina, South Carolina, Florida and Ohio. We are an energy delivery company engaged in the distribution of natural gas, electricity and propane, the transmission of natural gas, the generation of electricity and steam, and in providing mobile compressed natural gas and other energy-related services to our customers.

Our strategy is focused on growing earnings from a stable, regulated energy delivery foundation and investing in related businesses and services that together provide opportunities for returns greater than traditional utility returns. We seek to identify and develop opportunities across the energy value chain, with emphasis on regulated midstream and downstream investments that are accretive to earnings per share and create opportunities to continue our record of top tier returns on equity relative to our peer group. The Company's growth strategy includes the continued investment and expansion of the Company's regulated operations that provide a stable base of earnings, as well as investments in other related non-regulated businesses and services including sustainable investments, such as renewable natural gas related investments.

Currently, the Company's growth strategy is focused on the following platforms, including:

- Prudently deploying investment capital.
  - Optimizing the earnings growth in our existing businesses, which includes organic growth, territory expansions, and new products and services.
  - Identification and pursuit of additional pipeline expansions, including new interstate and intrastate transmission projects.
  - Growth of Marlin Gas Services' CNG transport business and expansion into LNG and RNG transport services as well as methane capture.
  - Identifying and undertaking additional strategic propane acquisitions that provide a larger foundation in current markets and expand our brand and presence into new strategic growth markets.
  - Leveraging our current capabilities, including our integrated set of energy delivery businesses, to support and contribute to a more sustainable future.
- Proactively managing our regulatory agenda.
  - Driving regulatory initiatives that align with our growth strategy and investment plans.
- Continually executing on our business transformation initiatives.
  - Increased opportunities to transform the Company with a focus on people, process, technology and organizational structure.

Operating Segments

We conduct operations within two reportable segments: Regulated Energy and Unregulated Energy. The remainder of our operations are presented as "Other businesses and eliminations" which were not material to our earnings or our financial position at December 31, 2025. These segments are described below in detail.

Regulated Energy

Overview

Our regulated energy businesses are comprised of natural gas and electric distribution, as well as natural gas transmission services.

On November 30, 2023, we completed the acquisition of FCG for $922.8 million in cash, including working capital adjustments as defined in the agreement, pursuant to the previously disclosed stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG currently serves approximately 125,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Results for FCG are included within our consolidated results from the acquisition date.

The following table presents net income for the year ended December 31, 2025 and total assets as of December 31, 2025, by operation and area served:

Operations	Areas Served	Net Income	Total Assets
(in millions)			
Natural Gas Distribution			
FPU	Florida	$ 33.2	$ 702.9
FCG	Florida	5.2	1,133.7
Delmarva Natural Gas [1]	Delaware/Maryland	18.1	490.2
Natural Gas Transmission			
Eastern Shore	Delaware/Maryland/ Pennsylvania	28.0	599.3
Peninsula Pipeline	Florida	25.6	275.7
Aspire Energy Express	Ohio	0.6	8.6
Electric Distribution			
FPU	Florida	9.0	214.9
Total Regulated Energy		$ 119.7	$ 3,425.3

[1] Delmarva Natural Gas consists of Delaware division and Maryland division. In accordance with the Maryland PSC approval of our natural gas base rate proceeding, effective April 2025, our natural gas distribution business in Maryland (Maryland natural gas division, Sandpiper Energy and Elkton Gas) are now consolidated for rate-making and other purposes and are reflected on a consolidated basis for all periods presented consistent with the final rate order. See Note 17, *Rates and Other Regulatory Activities,* for additional information.

Revenues in the Regulated Energy segment are based on rates regulated by the PSC in the states in which we operate or, in the case of Eastern Shore which is an interstate business, by the FERC. The rates are designed to generate revenues to recover all prudent operating and financing costs and provide a reasonable return for our stockholders. Each of our distribution and transmission operations has a rate base, which generally consists of the original cost of the operation's plant (less accumulated depreciation), working capital and other assets. For Delmarva Natural Gas and Eastern Shore, rate base also includes deferred income tax liabilities and other additions or deductions. The FPU natural gas, FCG, and FPU electric regulated energy operations do not include deferred income tax liabilities in their rate base.

Our natural gas and electric distribution operations bill customers at standard rates approved by their respective state PSC. Each state PSC allows us to negotiate rates, based on approved methodologies, for large customers that can switch to other fuels. Some of our customers in Maryland receive propane through underground distribution systems in Worcester County. We bill these customers under PSC-approved rates and include them in the natural gas distribution results and customer statistics.

Our natural gas and electric distribution operations earn profits on the delivery of natural gas or electricity to customers. The cost of natural gas or electricity that we deliver is passed through to customers under PSC-approved fuel cost recovery mechanisms. The mechanisms allow us to adjust our rates on an ongoing basis without filing a rate case to recover changes in the cost of the natural gas and electricity that we purchase for customers. Therefore, while our distribution operating revenues fluctuate with the cost of natural gas or electricity we purchase, our distribution adjusted gross margin is generally not impacted by fluctuations in the cost of natural gas or electricity.

Our natural gas transmission operations bill customers under rate schedules approved by the FERC or at rates negotiated with customers.

Operational Highlights

The following table presents operating revenues, volumes and the average number of customers by customer class for our natural gas and electric distribution operations for the year ended December 31, 2025:

	Delmarva Natural Gas Distribution		Florida Natural Gas Distribution		FPU Electric Distribution	
Operating Revenues *(in millions)*						
Residential	$ 101.6	61 %	$ 112.3	31 %	$ 49.9	48 %
Commercial and Industrial	54.2	32 %	194.1	54 %	44.5	43 %
Other [1]	11.9	7 %	55.8	15 %	9.5	9 %
Total Operating Revenues	$ 167.7	100 %	$ 362.2	100 %	$ 103.9	100 %
Volumes *(in Dts for natural gas/MW Hours for electric)*						
Residential	5,408,011	34 %	4,172,387	7 %	318,748	46 %
Commercial and Industrial	10,300,217	64 %	47,550,094	82 %	366,853	54 %
Other	293,693	2 %	6,346,023	11 %	—	— %
Total Volumes	16,001,921	100 %	58,068,504	100 %	685,601	100 %
Average Number of Customers [2]						
Residential	105,737	93 %	211,478	92 %	26,026	78 %
Commercial and Industrial	8,482	7 %	17,340	8 %	7,490	22 %
Other	26	— %	131	— %	—	— %
Total Average Number of Customers	114,245	100 %	228,949	100 %	33,516	100 %

[1] Operating Revenues from "Other" sources include revenue, unbilled revenue, under (over) recoveries of fuel cost, conservation revenue, other miscellaneous charges, fees for billing services provided to third parties, and adjustments for pass-through taxes.
[2] Average number of customers is based on the twelve-month average for the year ended December 31, 2025.

The following table presents operating revenues, by customer type, for Eastern Shore and Peninsula Pipeline for the year ended December 31, 2025, as well as contracted firm transportation capacity by customer type, and design day capacity at December 31, 2025. Aspire Energy Express has been excluded from the table below and had operating revenue of $1.5 million and firm transportation capacity of 300,000 Dts/d for the year ended December 31, 2025:

	Eastern Shore		Peninsula Pipeline	
Operating Revenues *(in millions)*				
Local distribution companies - affiliated [1]	$ 38.4	44 %	$ 50.0	95 %
Local distribution companies - non-affiliated	23.1	26 %	—	— %
Commercial and industrial - affiliated	—	— %	1.2	2 %
Commercial and industrial - non-affiliated	24.9	29 %	0.5	1 %
Other [2]	0.5	1 %	1.1	2 %
Total Operating Revenues	$ 86.9	100 %	$ 52.8	100 %
Contracted firm transportation capacity *(in Dts/d)*				
Local distribution companies - affiliated	167,795	52 %	1,080,571	99 %
Local distribution companies - non-affiliated	56,576	18 %	—	— %
Commercial and industrial - affiliated	—	— %	1,500	<1%
Commercial and industrial - non-affiliated	96,040	30 %	5,100	1 %
Total Contracted firm transportation capacity	320,411	100 %	1,087,171	100 %
Design day capacity *(in Dts/d)*	320,411	100 %	1,087,171	100 %

(1) Eastern Shore's and Peninsula Pipeline's service to our local distribution affiliates is based on the respective regulator's approved rates and is an integral component of the cost associated with providing natural gas supplies to the end users of those affiliates. We eliminate operating revenues of these entities against the natural gas costs of those affiliates in our consolidated financial information; however, our local distribution affiliates include this amount in their purchased fuel cost and recover it through fuel cost recovery mechanisms.
(2) Operating revenues from "Other" sources include the rental of gas properties.

Regulatory Overview

The following table highlights key regulatory information that was effective for each of our principal Regulated Energy operations at December 31, 2025. Peninsula Pipeline and Aspire Energy Express are not regulated with regard to cost of service by either the Florida PSC, the Ohio PUC or the FERC and are therefore excluded from the table. See *Item 8, Financial Statements and Supplementary Data* (Note 17, *Rates and Other Regulatory Activities,* in the consolidated financial statements) for further discussion on the impact of this legislation on our regulated businesses.

	Natural Gas Distribution					
	Delmarva		Florida		Electric Distribution	Natural Gas Transmission
Operation/Division	**Delaware**	**Maryland**	**FPU**	**FCG (1)**	**FPU**	**Eastern Shore**
Regulatory Agency	Delaware PSC	Maryland PSC	Florida PSC			FERC
Effective date - Last Rate Order	5/1/2025	4/19/2025	03/01/2023	06/09/2023	3/20/2025	08/01/2017
Rate Base (in Rates) (in millions)	Not stated	Not stated	$453.7	$487.3	Not stated	Not stated
Annual Rate Increase Approved (in millions)	$6.1	$3.5	$17.2	$14.1	$8.6	$9.8
Capital Structure (in rates) (2)*	Not stated	Not stated	LTD: 33% STD: 5% Equity: 45% Other: 17%	LTD: 31% STD: 4% Equity: 53% Other: 12%	LTD: Not stated STD: Not stated Equity: 50.04%	Not stated
Allowed ROE (3)	9.60%	6.88% (4)	10.25%	9.50%	10.20%	Not stated
TJCA Refund Status associated with customer rates	Refunded	Refunded	Retained	Refunded	Refunded	Refunded

(1) See additional information below regarding FCG's February 2026 notice to the Florida PSC of its intent to file a petition seeking a general rate base increase.
(2) Other components of capital structure include customer deposits, deferred income taxes and tax credits.
(3) Allowed after-tax ROE.
(4) Allowed rate of return as stated in final order.
* LTD-Long-term debt; STD-Short-term debt.

In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, “Maryland natural gas distribution businesses”) filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we sought approval of the following: (i) permanent rate relief of approximately $6.9 million with a ROE of 11.5 percent; (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses which we anticipate will be called Chesapeake Utilities of Maryland, Inc.; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. A $2.6 million increase in annual base rates was approved, and the Company filed a Phase II filing in November 2024 to determine rate design across the Maryland natural gas distribution businesses, consolidation of the applicable tariffs and recovery of technology costs. The hearing was held in March 2025, during which Phase II was approved, including an additional $0.9 million in revenue requirement for a total cumulative increase of $3.5 million. A final order was issued in April 2025 and included approval of the consolidation of the operations and the assets of CUC-Maryland Division, Sandpiper Energy, and Elkton Gas into one entity, which was renamed and operates as Chesapeake Utilities of Maryland, Inc.

In January 2024, our Maryland natural gas distribution businesses also filed a joint petition for approval of their proposed unified depreciation rates with the Maryland PSC. A settlement agreement between the Company, PSC staff and the OPC was reached and the final order approving the settlement agreement went into effect in July 2024, with new depreciation rates effective as of January 1, 2023. The approved depreciation resulted in an annual reduction in depreciation expense of approximately $1.2 million.

In August 2024, our Florida Electric division filed a petition with the Florida PSC seeking a general base rate increase of $12.6 million with a ROE of 11.3 percent based on a 2025 projected test year. Annualized interim rates of approximately $1.8 million, were approved and became effective in November 2024. In March 2025, the Florida PSC approved the permanent rate increase, but the order was subsequently protested. In May 2025, the Company reached a settlement agreement with the interested parties to resolve all outstanding issues. This settlement which was approved by the Florida PSC in July 2025, provides for a total revenue increase of approximately $8.6 million on an annual basis, with $1.0 million of the increase deferred from the first year's base rate increase and recovered over three years. A step-up rate increase was also approved for up to $0.7 million, upon completion of the purchase and refurbishment of certain substations, which is expected to be completed in December 2026.

In August 2024, our Delaware natural gas division filed an application for a natural gas rate case with the Delaware PSC seeking approval of the following: (i) permanent rate relief of approximately $12.1 million with ROE of 11.5 percent; (ii) proposed changes to depreciation rates which were part of a depreciation study also submitted with the filing; and (iii) authorization to make certain changes to tariffs. Annualized interim rates were approved by the Delaware PSC in the amount of $2.5 million and became effective in October 2024. A settlement among the Company, PSC staff and the Delaware Division of the Public Advocate was reached and approved by the Delaware PSC in June 2025 providing an annual revenue increase of $6.1 million, as well as dividing the rate case into two phases. Rates set to recover the approved components of the increase were effective in March 2025. In October 2025, a settlement was reached for Phase II of the rate case addressing tariff-related changes including rate design and approved by the Delaware Public Service Commission with rates effective as of October 15, 2025.

In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million, a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Commission also approved FCG's proposed RSAM with a $25.0 million reserve amount, continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. The RSAM was recorded as either an increase or decrease to accrued removal costs on the balance sheet, with a corresponding increase or decrease to depreciation and amortization expense. At December 31, 2024, the RSAM reserve had been completely utilized. The Florida OPC filed a notice of appeal with the Florida Supreme Court in July 2023, which is pending. The Florida OPC filed their initial brief in January 2024 with answer briefs filed in April 2024. Oral arguments in the case were held in December 2024.

In February 2025, FCG filed a depreciation study with the Florida PSC. The application is requesting approval of revised annual depreciation rates, as well as a reduction related to a reserve imbalance that would be amortized over a two-year period. The outcome of the application was subject to review and approval by the Florida PSC. In February 2026, the Florida PSC approved a $6.8 million reserve imbalance to be amortized over the remaining life of the assets, with the revised depreciation rates effective as of January 1, 2025.

In February 2026, FCG provided notice to the Florida PSC of its intent to file a petition seeking a general rate base increase based on a 2027 projected test year. The rate case filing is expected to be submitted in April 2026 and the outcome of the application will be subject to review and approval by the Florida PSC.

The following table presents margin stability mechanisms that have been approved by the respective PSC for our regulated energy distribution businesses at December 31, 2025. These include: Delaware surcharges to expand natural gas service in its service territory as well as for the conversion of propane distribution systems to natural gas; Maryland’s surcharges to fund natural gas conversions and system improvements in Worcester County; Florida’s GUARD surcharge which provides accelerated recovery of the costs of replacing older portions of the natural gas distribution system to improve safety and reliability; FCG's SAFE surcharge which provides accelerated recovery of the costs of replacing older portions of that natural gas distribution system to improve safety and reliability; and the Florida electric distribution operation's limited proceeding which allowed recovery of storm-related costs and the Storm Protection Plan ("SPP") which provides recovery of storm hardening costs.

Operation(s)/Division(s)	Jurisdiction	Infrastructure mechanism	Margin stability mechanism [1]
Delaware division	Delaware	Yes	No
Maryland division [2]	Maryland	No	Yes
FPU natural gas	Florida	Yes	No
FCG [3]	Florida	Yes	No
FPU electric division	Florida	Yes	No

[1] Margin stability mechanisms reduce variability due to rate design, revenue normalization clauses, and other riders.

[2] In accordance with the Maryland PSC approval of our natural gas base rate proceeding, effective April 2025, our natural gas distribution business in Maryland (Maryland natural gas division, Sandpiper Energy and Elkton Gas) are now consolidated for rate-making and other purposes and are reflected on a consolidated basis for all periods presented consistent with the final rate order. See Note 17, *Rates and Other Regulatory Activities,* for additional information.

[3] See *Item 8, Financial Statements and Supplementary Data*, Note 17, *Rates and Other Regulatory Activities*, for additional information related to FCG's RSAM that was approved as part of its rate case effective as of May 1, 2023.

Weather

Weather variations directly influence the volume of natural gas and electricity sold and delivered to residential and commercial customers for heating and cooling and changes in volumes delivered impact the revenue generated from these customers. Natural gas volumes are highest during the winter months, when residential and commercial customers use more natural gas for heating. Demand for electricity is highest during the summer months, when more electricity is used for cooling. We measure the relative impact of weather using degree-days. A degree-day is the measure of the variation in the weather based on the extent to which the average daily temperature falls above or below 65 degrees Fahrenheit. Each degree of temperature below 65 degrees Fahrenheit is counted as one HDD, and each degree of temperature above 65 degrees Fahrenheit is counted as one CDD. Normal heating and cooling degree-days are based on the most recent 10-year average.

Competition

Natural Gas Distribution

While our natural gas distribution operations do not compete directly with other distributors of natural gas for residential and commercial customers in our service areas, we do compete with other natural gas suppliers and alternative fuel providers for sales to industrial customers. Large customers could bypass our natural gas distribution systems and connect directly to intrastate or interstate transmission pipelines, and we compete in all aspects of our natural gas business with alternative energy sources, including electricity, oil, propane and renewables. The most effective means to compete against alternative fuels are lower prices, superior reliability and flexibility of service. Natural gas historically has maintained a price advantage in the residential, commercial and industrial markets, and reliability of natural gas supply and service has been excellent. In addition, we provide flexible pricing to our large customers to minimize fuel switching and protect these volumes and their contributions to the profitability of our natural gas distribution operations.

Natural Gas Transmission

Our natural gas transmission business competes with other interstate and intrastate pipeline companies to provide service to large industrial, generation and distribution customers, primarily in the northern portion of the Delmarva Peninsula and in Florida. Our transmission business in Ohio, Aspire Energy Express, services one customer, Guernsey Power Station, to which it is the sole supplier.

Electric Distribution

While our electric distribution operations do not compete directly with other distributors of electricity for residential and commercial customers in our service areas, we do compete with other electricity suppliers and alternative fuel providers for sales to industrial customers. Some of our large industrial customers may be capable of generating their own electricity, and we structure rates, service offerings and flexibility to retain these customers in order to retain their business and contributions to the profitability of our electric distribution operations.

Supplies, Transmission and Storage

Natural Gas Distribution

Our natural gas distribution operations purchase natural gas from marketers and producers and maintain contracts for transportation and storage with several interstate pipeline companies to meet projected customer demand requirements. We believe that our supply and capacity strategy will adequately meet our customers' needs over the next several years and we will continue to adapt our supply strategy to meet projected growth in customer demand within our service territories.

The Delmarva Natural Gas distribution systems are directly connected to Eastern Shore's pipeline, which has connections to other pipelines that provide us with transportation and storage. These operations can also use propane-air and liquefied natural gas peak-shaving equipment to serve customers. Our Delmarva Peninsula natural gas distribution operations maintain asset management agreements with a third party to manage their natural gas transportation and storage capacity. The current agreements were effective as of April 2023 and expire in March 2026. Our Delmarva operations receive a fee, which we share with our customers, from the asset manager, who optimizes the transportation, storage and natural gas supply for these operations.

Our FPU natural gas distribution business uses Peninsula Pipeline and Peoples Gas system (a subsidiary of Emera Incorporated) to transport natural gas where there is no direct connection with FGT. FPU natural gas distribution and Eight Flags entered into separate 10-year asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity, each of which expires in November 2030. An agreement with Florida Southeast Connection LLC for additional service to Palm Beach County is also in place for an initial term through December 2044. FCG utilizes FGT and Peninsula Pipeline to transport natural gas.

A summary of our pipeline capacity contracts follows:

Division	Pipeline	Maximum Daily Firm Transportation Capacity (Dts)	Contract Expiration Dates
Delmarva Natural Gas Distribution	Eastern Shore	167,795	2026-2044
	Columbia Gas [1]	5,246	2029-2032
	Transco [1]	30,439	2026-2032
	TETLP [1]	50,000	2027
FPU natural gas	Gulfstream [2]	10,000	2032
	FGT	48,716 - 82,317	2026-2041
	Peninsula Pipeline	399,600	2033-2048
	Peoples Gas system	12,160	2026
	Florida Southeast Connection LLC	5,000	2044
	Southern Natural Gas Company	1,500	2029
FCG	FGT	32,235 - 68,955	2030
	Peninsula Pipeline	15,000	2033 - 2043

[1] Transco, Columbia Gas and TETLP are interstate pipelines interconnected with Eastern Shore's pipeline.

[2] Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under this agreement has been released to various third parties. Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge.

Eastern Shore has three agreements with Transco for a total of 7,292 Dts/d of firm daily storage injection and withdrawal entitlements and total storage capacity of 288,003 Dts. These agreements expire in March 2028. Eastern Shore retains these firm storage services in order to provide swing transportation service and firm storage service to customers requesting such services.

Aspire Energy Express, our Ohio intrastate pipeline subsidiary, has an agreement to provide natural gas transportation capacity to Guernsey Power Station.

Electric Distribution

Our Florida electric distribution operation purchases wholesale electricity under the power supply contracts summarized below:

Area Served by Contract	Counterparty	Contracted Amount (MW)	Contract Expiration Date
Northwest Florida	Florida Power & Light Company	Full Requirement*	2032
Northeast Florida	Florida Power & Light Company	Full Requirement*	2032
Northeast Florida	Eight Flags	21	2036
Northeast Florida	Rayonier	1.7 to 3.0	2036
Northeast Florida	WestRock Company	As-available	N/A

*The counter party is obligated to provide us with the electricity to meet our customers' demand, which may vary.

Unregulated Energy

Overview

The following table presents net income for the year ended December 31, 2025 and total assets as of December 31, 2025, for our Unregulated Energy segment by operation and area served:

Operations	Area Served	Net Income (Loss)	Total Assets
(in millions)			
Propane Operations (Sharp, Diversified Energy, FPU and Flo-gas)	Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, Florida	$ 12.7	$ 192.1
Energy Transmission (Aspire Energy)	Ohio	5.0	150.5
Energy Generation (Eight Flags)	Florida	1.7	30.0
Marlin Gas Services	The Entire U.S.	5.1	66.6
Sustainable investments and other [1]	Various	(3.2)	55.8
Total		$ 21.3	$ 495.0

[1] Includes our renewable natural gas projects that are in various stages of development.

Propane Operations

Our propane operations sell propane to residential, commercial/industrial, wholesale and AutoGas customers, in the Mid-Atlantic region, North Carolina, South Carolina and Florida, through Sharp Energy, Inc., Sharpgas, Inc., Diversified Energy, FPU and Flo-gas. We deliver to and bill our propane customers based on two primary customer types: bulk delivery customers and metered customers. Bulk delivery customers receive deliveries into tanks at their location. We invoice and record revenues for these customers at the time of delivery. Metered customers are either part of an underground propane distribution system or have a meter installed on the tank at their location. We invoice and recognize revenue for these customers based on their consumption as dictated by scheduled meter reads. As a member of AutoGas Alliance, we install and support propane vehicle conversion systems for vehicle fleets and provide on-site fueling infrastructure.

Propane Operations - Operational Highlights

For the year ended December 31, 2025, operating revenues, volumes sold and average number of customers by customer class for our propane operations were as follows:

	Operating Revenues (in millions)		Volumes (in thousands of gallons)		Average Number of Customers [1]	
Residential bulk	$ 54.9	32 %	17,538	22 %	67,604	73 %
Residential metered	17.2	10 %	5,220	7 %	15,320	17 %
Commercial bulk	44.0	26 %	23,549	30 %	9,095	10 %
Commercial metered	1.6	1 %	538	1 %	218	<1%
Wholesale	26.1	15 %	26,645	34 %	48	<1%
AutoGas	7.9	4 %	5,134	6 %	117	<1%
Other [2]	19.9	12 %	—	— %	—	— %
Total	$ 171.6	100 %	78,624	100 %	92,402	100 %

[1] Average number of customers is based on a twelve-month average for the year ended December 31, 2025.
[2] Operating revenues from "Other" sources include revenues from customer loyalty programs; delivery, service and appliance fees; and unbilled revenues.

Competition

Our propane operations compete with national and local independent companies primarily on the basis of price and service. Propane is generally a lower cost fuel alternative for home heating compared to oil and electricity but more expensive than natural gas. Our propane operations are largely concentrated in areas that are not currently served by natural gas distribution systems.

Supplies, Transportation and Storage

We purchase propane from major oil companies and independent natural gas liquids producers. Propane is transported by truck and rail to our bulk storage facilities in Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina and Florida which have a total storage capacity of 8.4 million gallons. Deliveries are made from these facilities by truck to tanks located on customers' premises or to central storage tanks that feed our underground propane distribution systems. While propane supply has traditionally been adequate, significant fluctuations in weather, closing of refineries and disruption in supply chains, could cause temporary reductions in available supplies.

Weather

Propane revenues are affected by seasonal variations in temperature and weather conditions, which directly influence the volume of propane used by our customers. Our propane revenues are typically highest during the winter months when propane is used for heating. Sustained warmer-than-normal temperatures will tend to reduce propane use, while sustained colder-than-normal temperatures will tend to increase consumption.

Unregulated Energy Transmission and Supply (Aspire Energy)

Aspire Energy owns approximately 2,800 miles of natural gas pipeline systems in 40 counties in Ohio. The majority of Aspire Energy's revenues are derived from long-term supply agreements with Columbia Gas of Ohio and Consumers Gas Cooperative ("CGC"), which together serve more than 23,000 end-use customers. Aspire Energy purchases natural gas to serve these customers from conventional producers in the Marcellus and Utica natural gas production areas. In addition, Aspire Energy's Noble Road Landfill RNG pipeline transports RNG generated from the landfill to Aspire Energy's pipeline system, displacing conventionally produced natural gas. In 2025, the RNG volumes represented approximately 10 percent of Aspire Energy's gas gathering volumes and are anticipated to continue at such rate in 2025 and beyond. In addition, Aspire Energy earns revenue by gathering and processing natural gas for customers.

For the year ended December 31, 2025, Aspire Energy's operating revenues and deliveries by customer type were as follows:

	Operating revenues		Deliveries	
	(in millions)	% of Total	*(in thousands Dts)*	% of Total
Supply to Columbia Gas of Ohio	$ 17.3	34 %	2,716	35 %
Supply to CGC	21.2	42 %	2,164	27 %
Supply to Marketers	9.6	19 %	2,890	37 %
Other (including natural gas gathering and processing)	2.3	5 %	54	1 %
Total	$ 50.4	100 %	7,824	100 %

Energy Generation (Eight Flags)

Eight Flags generates electricity and steam at its CHP plant located on Amelia Island, Florida. The plant is powered by natural gas transported by Peninsula Pipeline and our FPU natural gas distribution business and produces approximately 21 MW of electricity and 75,000 pounds per hour of steam. Eight Flags sells the electricity generated from the plant to our Florida electric distribution operation and sells the steam to the customer who owns the site on which the plant is located, both under separate 20-year contracts.

Marlin Gas Services

Marlin Gas Services is a supplier of mobile CNG/RNG and virtual pipeline solutions, primarily to utilities, pipelines, and RNG producers. Marlin Gas Services provides temporary hold services, pipeline integrity services, emergency services for damaged pipelines and specialized gas services for customers who have unique requirements. These services are provided by a highly trained staff of drivers and maintenance technicians who are all certified to meet/exceed PHMSA standards to safely perform pipeline functions throughout the United States. Marlin Gas Services maintains a fleet of CNG trailers, mobile compression equipment, LNG tankers and vaporizers, and an internally developed patented regulator system which allows for delivery of over 7,000 Dts/d of natural gas. Marlin Gas Services continues to actively expand the territories it serves, as well as leveraging its fleet of equipment and patented technologies to serve LNG and RNG market needs.

Sustainable Investments

Our sustainable investments are comprised primarily of our renewable natural gas projects that are in various stages of development. Included in these are the assets and intellectual property of Planet Found that we acquired during the fourth quarter of 2022, whose farm scale anaerobic digestion pilot system and technology produces biogas from poultry litter. In addition, we constructed a dairy manure RNG facility that we own and operate at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market. The facility became operational with the first injection of RNG during the second quarter of 2024.

Environmental Matters

See *Item 8, Financial Statements and Supplementary Data* (Note 18*, Environmental Commitments and Contingencies,* in the consolidated financial statements).

Human Capital Initiatives

Our tradition of serving employees, customers, investors, partners and communities is at the core of our special culture. Our unique culture is grounded in a solid foundation of regulated businesses, but enhanced by an entrepreneurial, innovative and competitive market mindset. Among the ongoing initiatives across our enterprise, we highlight below the importance of our culture of safety, our team, and our commitment to supporting a more sustainable future.

Workplace Health and Safety

We are committed to ensuring safety is at the center of our culture and the way we do business. The importance of safety is exhibited throughout the entire organization, with the direction and tone set by both the BOD and our President and CEO, and evidenced through required attendance at monthly safety meetings, routine safety training and the inclusion of safety moments at key team meetings. Additionally, we remain committed to providing products and services to our customers in a safe and reliable manner.

Maintaining safety as a priority requires shared responsibility. Our employees remain committed and work together to ensure that our plans, programs, policies, and behaviors are aligned with our aspirations as a Company. The achievement of superior safety performance is both an important short-term and long-term strategic initiative in managing our operations. To support this commitment, the Company has invested heavily in safety and simulation training programs.

Our state-of-the art training facilities known as Safety Towns, located in Dover, Delaware and DeBary Florida, now serve as resources for training our employees who build, maintain and operate our natural gas infrastructure. The facilities offer hands-on training and fully immersive, on-the-job field experiences. The Company conducts live simulations and has adopted the National Incident Management Systems ("NIMS") approach to emergency response. First responders and other community partners also benefit from the realistic scenario-based training based on conditions they could encounter as they enter homes in the community.

Our Team Drives Our Performance

Our employees are the key to our success. Our leadership and human resources teams are responsible for attracting and retaining top talent and as an equal opportunity employer committed to creating a diverse workforce, we consider all qualified applicants without regard to race, religion, color, sex, national origin, age, sexual orientation, gender identity, disability or veteran status, among other factors. Our senior management team includes a Chief Human Resources Officer, with expertise in diverse candidate recruitment, to ensure that we continue to expand our candidate pools to better reflect the diverse demographics of the communities we serve.

Throughout our organization, we seek to promote from within, reviewing strategic positions regularly and identifying potential internal candidates to fill those positions, evaluating critical job skill sets to identify competency gaps and creating developmental plans to facilitate employee professional growth, as well as succession plans for key positions throughout the organization. We provide training and development programs, including many forms of training on our internal learning platform, as well as tuition reimbursement to promote continued professional growth.

We had more than 1,300 employees at December 31, 2025, 186 of whom are union employees represented by two labor unions: the International Brotherhood of Electrical Workers ("IBEW") and the United Food and Commercial Workers Union. The collective bargaining agreements covering our employees with these labor unions expire in 2027 and 2028, respectively. We consider our relationships with employees, including those covered by collective bargaining agreements, to be in good standing. We provide a competitive Total Rewards package for our employees including health insurance coverage, wellness initiatives, retirement savings benefits, paid time off, employee assistance programs, educational and tuition reimbursement, competitive pay, career growth opportunities, paid volunteer time, and a culture of recognition.

We listen to our employees and actively seek their input and feedback. Many of the initiatives we have in place are driven by feedback from our employees during an annual survey process or through regular employee engagement. We have also been purposeful in wanting to provide adequate recognition of our employees and their many efforts. We maintain an internal recognition platform which enables employees to be recognized in real-time for their contributions.

We have a values-driven culture that supports diversity and inclusion across our enterprise including within our employee resource groups ("ERGs").

Our first ERG was established in 2019, and as of December 31, 2025, there were 12 active ERGs meeting throughout the Company. ERGs are voluntary, employee-led groups that focus on shared identities, affinities and experiences and seek to apply those perspectives to initiatives that create value throughout the Company. The ERGs support their members' personal growth and professional development, and help develop learning programs and community service opportunities throughout the Company. ERGs also help foster a sense of belonging by creating a deep and intentional community that extends beyond an employee’s day-to-day team and colleagues into a companywide network.

Driving Sustainability across the Company

Consistent with our culture of teamwork, the focus on sustainability is supported and shared across our organization by the dedication and efforts of our BOD and its Committees, as well as through the entrepreneurship and dedication of our team. As stewards of long-term enterprise value, the BOD is committed to overseeing the sustainability of the Company, its environmental stewardship initiatives, and its safety and operational compliance practices. Chesapeake Utilities continues to drive numerous initiatives in support of its sustainability focus, including but not limited to:

- Construction and operation of our first full scale RNG production facility in Lee, Florida utilizing dairy waste;
- Production of raw biogas, that is pipeline quality RNG, at our Planet Found poultry anaerobic digester facility in Worcester County, Maryland;

- FERC approval and construction advancing for the Worcester Resiliency Upgrade project, an LNG storage facility project on Delmarva;
- Transportation of RNG produced from multiple third-party waste facilities and injected into multiple interconnection points across our various pipeline systems;
- Continued internal team engagement focused on identifying and recommending ways to further reduce methane emissions for our transmission and gathering operations;
- Implementation of various energy efficiency programs in several of our service territories;
- Alignment of FCG's SAFE program to more closely align with FPU's GUARD program; and
- Continued recycling of used pipe into benches, many of which have been donated to various organizations.

Information about our Executive Officers

Set forth below are the names, ages, and positions of our executive officers with their recent business experience. The age of each officer is as of the filing date of this Annual Report.

Name	Age	Executive Officer Since	Offices Held During the Past Five Years
Jeffry M. Householder	68	2010	Chair of the Board of Directors (May 2023 - present) President (January 2019 - present) Chief Executive Officer (January 2019 - present) Director (January 2019 - present) President of FPU (June 2010 - February 2019)
Beth W. Cooper	59	2005	Executive Vice President (February 2019 - present) Chief Financial Officer (September 2008 - present) Senior Vice President (September 2008 - February 2019) Treasurer (January 2022 - present) Assistant Corporate Secretary (March 2015 - present)
James F. Moriarty	68	2015	Executive Vice President (February 2019 - present) General Counsel & Corporate Secretary (March 2015 - present) Chief Policy and Risk Officer (February 2019 - present) Senior Vice President (February 2017 - February 2019) Vice President (March 2015 - February 2017)
Kevin J. Webber	67	2010	Chief Development Officer (January 2022 - present) Senior Vice President (February 2019 - present) President FPU (February 2019 - December 2019) Vice President Gas Operations and Business Development Florida Business Units (July 2010 - February 2019)
Jeffrey S. Sylvester	56	2019	Chief Operating Officer (January 2022 - present) Senior Vice President (December 2019 - present) Vice President Black Hills Energy (October 2012 - December 2019)

Available Information on Corporate Governance Documents

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports and amendments to these reports that we file with or furnish to the SEC at their website, *www.sec.gov,* are also available free of charge at our website, *www.chpk.com,* as soon as reasonably practicable after we electronically file these reports with, or furnish these reports to the SEC. The content of this website is not part of this Annual Report.

In addition, the following documents are available free of charge on our website, *www.chpk.com*:

- Business Code of Ethics and Conduct applicable to all employees, officers and directors;
- Code of Ethics for Financial Officers;
- Corporate Governance Guidelines; and
- Charters for the Audit Committee, Compensation Committee, Investment Committee, and Corporate Governance Committee of the BOD.

Any of these reports or documents may also be obtained by writing to: Shareholders Services; c/o Chesapeake Utilities Corporation, 500 Energy Lane Suite 100, Dover, DE 19901.

ITEM 1A. RISK FACTORS.

The risks described below fall into three broad categories related to (1) financial risks, (2) operational risks, and (3) regulatory, legal and environmental risks, all of which may affect our operations and/or the financial performance of our regulated and unregulated energy businesses. These are not the only risks we face but are considered to be the most material. There may be other unknown or unpredictable risks or other factors that could have material adverse effects on our future results. Refer to *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations* of this Annual Report for an additional discussion of these and other related factors that affect our operations and/or financial performance.

FINANCIAL RISKS

Our financial results may fluctuate significantly and may not fully reflect the underlying performance of our business.

Our operating results, including our revenues, operating margin, profitability, and cash flow, may vary significantly in the future and period-to-period comparisons of our operating results may not be meaningful. Accordingly, the results of any one quarter or year should not be relied upon as an indication of future performance. Our financial results may fluctuate as a result of a variety of factors, many of which are outside of our control, and such fluctuations and related impacts to any capital or earnings guidance we may issue from time to time, or any modification or withdrawal thereof, may negatively impact the value of our securities.

Our access to the capital markets at competitive rates, which could be impacted by instability and volatility in the financial markets as well as our credit ratings, could negatively impact access to capital at competitive rates which could affect our ability to implement our strategic plan, undertake improvements and make other investments required for our future growth.

Our business strategy includes the continued pursuit of growth and requires capital investment in excess of cash flow from operations. As a result, the successful execution of our strategy is dependent upon access to equity and debt on acceptable terms and at reasonable costs. Our ability to issue new debt and equity capital and the cost of equity and debt are greatly affected by our financial performance and the conditions of the financial markets. In addition, our ability to obtain adequate and cost-effective debt depends on our credit ratings. A downgrade in our current credit ratings could negatively impact our access to and cost of debt. If we are not able to readily access capital at competitive rates and on terms that are acceptable to us, our ability to implement our strategic plan, undertake improvements and make other investments required for our future growth may be limited.

If we fail to comply with our debt covenant obligations, we could experience adverse financial consequences that could affect our liquidity and ability to borrow funds.

Our long-term debt obligations and our Revolver contain financial covenants related to debt-to-capital ratios and interest-coverage ratios. Failure to comply with any of these covenants could result in an event of default which, if not cured or waived, could result in the acceleration of outstanding debt obligations, the inability to borrow under certain credit agreements and terms, or the inability to access capital from other sources. Any such default could cause a material adverse change in our financial condition, results of operations and cash flows. As of December 31, 2025, we were in compliance with all of our debt covenants.

Increases in interest rates may adversely affect our results of operations and cash flows.

Increases in interest rates could increase the cost of future debt issuances. To the extent we are not able to fully recover higher debt costs in the rates we charge our utility customers, or the timing of such recovery is not certain, our earnings could be adversely affected. Increases in short-term interest rates could negatively affect our results of operations, we rely on short-term debt to finance accounts receivable and storage gas inventories and to temporarily finance capital expenditures. Reference should be made to *Item 7A, Quantitative and Qualitative Disclosures about Market Risk* for additional information.

Continuing or worsening inflationary and/or supply chain issues may adversely impact our financial condition and results of operations.

Our business is dependent on the supply chain to ensure that equipment, materials and other resources are available to both expand and maintain our services in a safe and reliable manner. Pricing of equipment, materials and other resources have increased steadily in recent years and may continue to do so in the future. Failure to secure equipment, materials and other resources on economically acceptable terms, including failure to eliminate or manage the constraints in the supply chain, may

impact the availability of items that are necessary to support normal operations as well as materials that are required for continued infrastructure growth, and as a result, may adversely impact our financial condition and results of operations.

Furthermore, change or uncertainty in U.S. policies or the policies of other countries and regions, including any changes or uncertainty with respect to U.S. or international trade policies or tariffs, could also disrupt our key suppliers' operations. The presidential administration has taken action to impose substantial new or increased tariffs, which could increase the cost of imported materials and equipment, disrupt supply chains, drive economic volatility, and create adverse capital and credit market conditions. For example, the cost of pipes, meters, transformers, and specialized equipment we use in our capital projects may materially increase thus increasing our overall investment in and cost of these projects. Any widespread imposition of new or increased tariffs could have an adverse effect on our results of operations, cash flow and financial condition. Additionally, the current presidential administration has directed various federal agencies to further evaluate key aspects of U.S. trade policy and there has been ongoing discussion, commentary and actions regarding potential significant changes to U.S. trade policies, treaties and tariffs. In 2025, the President indicated that the United States would impose retaliatory measures with respect to jurisdictions that have or are likely to put in place tax rules that are extraterritorial or disproportionately affect U.S. companies. The likelihood of these changes being enacted or implemented is unclear. We are currently unable to predict whether such changes will occur and, if so, their ultimate impact on our businesses. We are also unable to reasonably estimate the effects of the rapidly evolving trade tariff landscape, which could include project delays, cost increases, and obstacles to the Company's strategic plan execution.

In addition, it may become more costly for us to recruit and retain key employees, particularly specialized/technical personnel, in the face of competitive market conditions and increased competition for specialized and experienced workers in our industry.

Disruptions, uncertainty or volatility in the credit and capital markets may exert downward pressure on the market price of the Company's common stock.

The market price and trading volume of the Company's common stock is subject to fluctuations as a result of, among other factors, general credit and capital market conditions and changes in market sentiment regarding the operations, business and financing strategies of the Company and its subsidiaries. As a result, disruptions, uncertainty or volatility in the credit and capital markets may, amongst other things, have a material adverse effect on the market price of the Company's common stock.

Fluctuations in propane gas prices could negatively affect results of operations.

The combination of high demand and lower-than-average inventory is always a common driver for higher propane gas prices. We adjust the price of the propane we sell based on changes in our cost of purchasing propane. However, if the market does not allow us to increase propane sales prices to compensate fully for fluctuations in purchased propane costs, our results of operations and cash flows could be negatively affected.

OPERATIONAL RISKS

We must construct new facilities to support future growth in earnings in our natural gas and electric distribution and natural gas transmission operations.

Construction of new facilities required to support future growth is subject to various regulatory and developmental risks, including but not limited to: (i) our ability to obtain timely certificate authorizations, necessary approvals and permits from regulatory agencies and on terms that are acceptable to us; (ii) potential changes in federal, state and local statutes and regulations, including environmental requirements, that prevent a project from proceeding or increase the anticipated cost of the project; (iii) our ability to acquire rights-of-way or land rights on a timely basis on terms that are acceptable to us; (iv) lack of anticipated future growth in available natural gas and electricity supply and demand; (v) insufficient customer throughput commitments; and (vi) lack of available and qualified third-party contractors which could impact the timely construction of new facilities. Adverse outcomes and/or changes in these risks could limit the future growth of our business and cause a material adverse change in our financial condition, results of operations and cash flows.

We do not own all of the land on which our pipelines and facilities are located, which could result in disruptions to our operations.

Because we do not own all of the land on which our pipelines and facilities have been constructed, we are subject to the possibility of more onerous terms or increased costs to retain necessary land use if we do not have valid rights-of-way, easements or other property rights or if such rights or easements lapse or terminate. We obtain the rights to construct and

operate our pipelines on land owned by third parties and governmental agencies for a specific period of time. Our loss of these rights, through our inability to renew right-of-way contracts or otherwise, could have a material adverse effect on our business, financial condition and results of operations.

We operate in a competitive environment, and we may lose customers to competitors.

Natural Gas. Our natural gas transmission and distribution operations compete with interstate pipelines when our customers are located close enough to a competing pipeline to make direct connections economically feasible. Customers also have the option to switch to alternative fuels, including renewable energy sources. Failure to retain and grow our natural gas customer base would have an adverse effect on our financial condition, results of operations and cash flows.

Electric. Our Florida electric distribution business has remained substantially free from direct competition from other electric service providers but does face competition from other energy sources. Changes in the competitive environment caused by legislation, regulation, market conditions, or initiatives of other electric power providers, particularly with respect to retail electric competition, would adversely affect our financial condition, results of operations and cash flows.

Propane. Our propane operations compete with other propane distributors, primarily on the basis of service and price. Our ability to grow the propane operations business is contingent upon capturing additional market share, expanding into new markets, and successfully utilizing pricing programs that retain and grow our customer base. Failure to retain and grow our customer base in our propane operations would have an adverse effect on our financial condition, results of operations and cash flows.

Fluctuations in weather may cause a significant variance in our earnings.

Our natural gas distribution, propane operations and natural gas transmission operations are sensitive to fluctuations in weather conditions, which directly influence the volume of natural gas and propane we transport, sell and deliver to our customers. A significant portion of our natural gas distribution, propane operations and natural gas transmission revenue is derived from the sales and deliveries to residential, commercial and industrial heating customers during the five-month peak heating season (November through March). Other than our Maryland natural gas distribution business which has revenue normalization mechanisms, if the weather is warmer than normal, we generally sell and deliver less natural gas and propane to customers, and earn less revenue, which could adversely affect our financial condition, results of operations and cash flows. Conversely, if the weather is colder than normal, we generally sell and deliver more natural gas and propane to customers, and earn more revenue, which could positively affect our financial condition, results of operations and cash flows. Variations in weather from year to year can cause our financial condition, results of operations and cash flows to vary accordingly.

Our electric distribution operation is also affected by variations in weather conditions and unusually severe weather conditions. However, electricity consumption is generally less seasonal than natural gas and propane because it is used for both heating and cooling in our service areas.

Severe weather events (such as a major hurricane, flood, or tornado), natural disasters and acts of terrorism could adversely impact earnings and access to insurance coverage.

Inherent in energy transmission and distribution activities are a variety of hazards and operational risks, such as leaks, ruptures, fires, uncontrollable flows of natural gas, explosions, release of contaminants into the environment, sabotage and mechanical problems. Severe weather events and natural disasters, especially in our service areas that are susceptible to more frequent severe weather events and natural disasters, may damage our assets, cause operational interruptions and result in the loss of human life, all of which could negatively affect our financial condition, results of operations and cash flows.

Acts of terrorism and the impact of retaliatory military and other action by the U.S. and its allies may lead to increased political, economic and financial market instability and volatility in the price of natural gas, electricity and propane that could negatively affect our operations. Companies in the energy industry may face a heightened risk of exposure to acts of terrorism, which could affect our financial condition, results of operations and cash flows.

The insurance industry may also be affected by severe weather events (such as major hurricanes), natural disasters (such as wildfires) and acts of terrorism. As a result, the availability of insurance covering risks against which we and our competitors typically insure may be limited. In addition, the insurance we are able to obtain may have higher deductibles, higher premiums and more restrictive policy terms, which could adversely affect our financial condition, results of operations and cash flows.

Operating events affecting public safety and the reliability of our natural gas and electric distribution and transmission systems could adversely affect our operations and increase our costs.

Our natural gas and electric operations are exposed to operational events and risks, such as: major leaks, outages, mechanical failures and breakdown; operations below the expected level of performance or efficiency; and accidents that could affect public safety and the reliability of our distribution and transmission systems, significantly increase costs and cause loss of customer confidence. If we are unable to recover all or some of these costs from insurance and/or customers through the regulatory process, our financial condition, results of operations and cash flows could be adversely affected.

A security breach disrupting our operating systems, facilities, and workforce or exposing confidential information may adversely affect our reputation, disrupt our operations and increase our costs.

The cybersecurity risks associated with the protection of our infrastructure and facilities is evolving and increasingly complex. We continue to heavily rely on technological tools that support our business operations and corporate functions while enhancing our security. There are various risks associated with our information technology infrastructure, including hardware and software failure, communications failure, data distortion or destruction, unauthorized access to data, misuse of proprietary or confidential data, unauthorized control through electronic means, cyber-attacks, cyber-terrorism, data breaches, programming mistakes, and other inadvertent errors or deliberate human acts. Further, the U.S. government has issued public warnings that indicate energy assets might be specific targets of cybersecurity threats and/or attacks.

Many of our employees, service providers, and vendors have been working, and continue to work, from remote locations where cybersecurity protections could be limited and cybersecurity procedures and safeguards could be less effective. As such, we could be subject to a higher risk of cybersecurity breaches than ever before. Therefore, we could be required to expend significant resources to continue to modify or enhance our procedures and controls or to upgrade our digital and operational systems, related infrastructure, technologies and network security. In addition, despite steps we may take to detect, mitigate, and/or eliminate threats and respond to security incidents, the techniques used by those who wish to obtain unauthorized access, and possibly disable or sabotage systems and/or abscond with information and data, change frequently and continue to evolve with the use of artificial intelligence ("AI") and we may not be able to protect against all such actions.

Any such failure, attack, or security breach could adversely impact our ability to safely and reliably deliver services to our customers through our transmission, distribution, and generation systems, subjecting us to reputational and other harm, and subject us to legal and regulatory proceedings and claims and demands from third parties, any of which could adversely affect our business, our earnings, results of operation, financial condition and cash flows. In addition, the protection of customer, employee and Company data is crucial to our operational security. A breach or breakdown of our systems that results in the unauthorized release of individually identifiable customer information or other sensitive data could have an adverse effect on our reputation, results of operations and financial condition and could also materially increase our costs of maintaining our system and protecting it against future breakdowns or breaches. We take reasonable precautions to safeguard our information systems from cyber-attacks and security breaches; however, there is no guarantee that the procedures implemented to protect against unauthorized access to our information systems are adequate to safeguard against all attacks and breaches. We also cannot assure that any redundancies built into our networks and technology, or the procedures we have implemented to protect against cyber-attacks and other unauthorized access to secured data, are adequate to safeguard against all failures of technology or security breaches.

The Company's business, results of operations, financial condition and cash flows could be adversely affected by interruption of the Company's information technology or network systems as well as the Company's implementation of its technology roadmap.

Currently, we rely on centralized and local information technology networks and systems, some of which are managed or accessible by third parties, to process, transmit and store electronic information, and to otherwise manage or support our business. Additionally, the Company collects and stores certain data, including proprietary business information, and has access to confidential or personal information that is subject to privacy and security laws, regulations and customer-imposed controls. The processing and storage of personal information is increasingly subject to privacy and data security regulations. The interpretation and application of data protection laws in the U.S. are continuing to evolve and may be different across jurisdictions. Violations of these laws could result in criminal or civil sanctions and even the mere allegation of such violations, could harm the Company's reputation.

Information technology system and/or network disruptions, whether caused by acts of sabotage, employee error, malfeasance or otherwise, could have an adverse impact on the Company's operations as well as the operations of the Company's customers and suppliers. As a result, the Company may be subject to legal claims or regulatory proceedings which could result in liability or penalties under privacy laws, disruption in the Company's operations, and damage to the Company's reputation, adversely affecting the Company's business, financial condition, results of operations and cash flows.

The Company is also implementing a technology roadmap that will significantly advance our technological capabilities. The implementation of new software in multiple phases is a complex process that involves several risks. Some of the common risks include:

- Expectations of what the software can do is not achieved and requires additional spending, resources and time;
- Inadequate planning, including changes in implementation plans, can lead to delays, cost overruns, and poor outcomes;
- Ensuring continued team engagement is critical as technology and systems projects are significant and involve many resources within the Company as well as the use of various third parties;
- Implementing new software can expose the organization to new security risks;
- Integrating new software with existing systems can be challenging, as a result of compatibility issues, data migration and system downtime; and
- The ability to continue to recover appropriate costs as approved by our regulators.

Concerns relating to the responsible use of new and evolving technologies, such as AI, may result in reputational or financial harm and liability.

While providing significant benefits, AI poses emerging legal, social, and ethical issues and presents risks and challenges. If we utilize AI solutions that have unintended consequences or may be deemed controversial, or if we are unable to develop effective internal policies and frameworks relating to the responsible use of AI, we may experience brand or reputational harm, competitive harm or legal liability. Complying with regulations related to AI could increase our cost of doing business, may change the way that we operate in certain jurisdictions, or may impede our ability to offer services in certain jurisdictions if we are unable to comply with regulations.

Failure to attract and retain an appropriately qualified employee workforce could adversely affect operations.

Our ability to implement our business strategy and serve our customers depends upon our continuing ability to attract, develop and retain talented professionals and a technically skilled workforce in a manner competitive with current market conditions, and transfer the knowledge and expertise of our workforce to new employees as our existing employees retire. Failure to hire and adequately train replacement employees, including the transfer of significant internal historical knowledge and expertise to new employees, or the future availability and cost of contract labor could adversely affect our ability to manage and operate our business. If we were unable to hire, train and retain appropriately qualified personnel, our results of operations could be adversely affected.

A strike, work stoppage or a labor dispute could adversely affect our operations.

We are party to collective bargaining agreements with labor unions at some of our Florida operations. A strike, work stoppage or a labor dispute with a union or employees represented by a union could cause interruption to our operations and our results could be adversely affected.

Our businesses are capital-intensive, and the increased costs and/or delays of capital projects may adversely affect our future earnings.

Our businesses are capital-intensive and require significant investments in ongoing infrastructure projects. These projects are subject to state and federal regulatory oversight and require certain property rights, such as easements and rights-of-way from public and private owners, as well as regulatory approvals, including environmental and other permits and licenses. There is no assurance that we will be able to obtain the necessary property rights, permits and licenses and approvals in a timely and cost-efficient manner, or at all, which may result in the delay or failure to complete a project. In addition, the availability of the necessary materials and qualified vendors could also impact our ability to complete such projects on a timely basis and manage the overall costs. Failure to complete any pending or future infrastructure projects could have a material adverse impact on our financial condition, results of operations and cash flows. Where we are able to successfully complete pending or future infrastructure projects, our revenues may not increase immediately upon the expenditure of funds on a particular project or as anticipated over the life of the project. As a result, there is the risk that new and expanded infrastructure may not achieve our expected investment returns, which could have a material adverse effect on our business, financial condition and results of operations.

Our regulated energy business may be at risk if franchise agreements are not renewed, or new franchise agreements are not obtained, which could adversely affect our future results or operating cash flows and financial condition.

Our regulated natural gas and electric distribution operations hold franchises in each of the incorporated municipalities that require franchise agreements in order to provide natural gas and electricity. Ongoing financial results would be adversely impacted in the event that franchise agreements were not renewed. If we are unable to obtain franchise agreements for new service areas, growth in our future earnings could be negatively impacted.

Slowdowns in customer growth may adversely affect earnings and cash flows.

Our ability to increase revenues in our natural gas, propane and electric distribution businesses is dependent upon growth in the residential construction market, adding new commercial and industrial customers and conversion of customers to natural gas, electricity or propane from other energy sources. Slowdowns in growth may adversely affect our financial condition, results of operations and cash flows.

Energy conservation could lower energy consumption, which would adversely affect our earnings.

Federal and state legislative and regulatory initiatives to promote energy efficiency, conservation and the use of alternative energy sources could lower consumption of natural gas and propane by our customers. For example, in August 2022, the Inflation Reduction Act of 2022 was signed into law, with hundreds of billions of dollars in incentives for the development of renewable energy, clean hydrogen, and clean fuels, amongst other provisions. These incentives have continued to accelerate the transition of the U.S. economy away from the use of fossil fuels towards lower- or zero-carbon emissions alternatives and impact demand for our products and services. In addition, increasing attention to climate change, societal expectations on companies to address climate change, investor and societal expectations including mandatory climate related disclosures, and the aforementioned demand for alternative forms of energy, may result in increased costs and reduced demand for our products and services. While we cannot predict the ultimate effect that the development of alternative energy sources and related laws might have on our operations, we may be subject to reduced profits, increased investigations and litigation against us, and negative impacts on the market price of our common stock and access to capital markets.

In addition, higher costs of natural gas, propane and electricity may cause customers to conserve fuel. To the extent recovery through customer rates of higher costs or lower consumption from energy efficiency or conservation is not allowed, and our propane retail prices cannot be increased due to market conditions, our financial condition, results of operations and cash flows could be adversely affected.

Commodity price increases may adversely affect the operating costs and competitive positions of our natural gas, electric and propane operations, which may adversely affect our financial condition, results of operations and cash flows.

Natural Gas and Electricity. Higher natural gas prices can significantly increase the cost of gas billed to our natural gas customers. Increases in the cost of natural gas and other fuels used to generate electricity can significantly increase the cost of electricity billed to our electric customers. Damage to the production or transportation facilities of our suppliers, which decreases their supply of natural gas and electricity, could result in increased supply costs and higher prices for our customers. Such cost increases generally have no immediate effect on our revenues and earnings because of our regulated fuel cost recovery mechanisms. However, our net income may be reduced by higher expenses that we may incur for uncollectible customer accounts and by lower volumes of natural gas and electricity deliveries when customers reduce their consumption. Therefore, increases in the price of natural gas and other fuels can adversely affect our financial condition, results of operations and cash flows, as well as the competitiveness of natural gas and electricity as energy sources.

Propane. Propane costs are subject to changes as a result of product supply or other market conditions, including weather, economic and political factors affecting crude oil and natural gas supply or pricing. For example, weather conditions could damage production or transportation facilities, which could result in decreased supplies of propane, increased supply costs and higher prices for customers. Such increases in costs can occur rapidly and can negatively affect profitability. There is no assurance that we will be able to pass on propane cost increases fully or immediately, particularly when propane costs increase rapidly. Therefore, average retail sales prices can vary significantly from year-to-year as product costs fluctuate in response to propane, fuel oil, crude oil and natural gas commodity market conditions. In addition, in periods of sustained higher commodity prices, declines in retail sales volumes due to reduced consumption and increased amounts of uncollectible accounts may adversely affect net income.

Refer to *Item 7A*, *Quantitative and Qualitative Disclosures about Market Risk* for additional information.

Our use of derivative instruments may adversely affect our results of operations.

Fluctuating commodity prices may affect our earnings and financing costs because our propane operations use derivative instruments, including forwards, futures, swaps, puts, and calls, to hedge price risk. While we have risk management policies and operating procedures in place to control our exposure to risk, if we purchase derivative instruments that are not properly matched to our exposure, our financial condition, results of operations and cash flows may be adversely affected. In addition, fluctuations in market prices could result in significant unrealized gains or losses, which could require margins to be posted on unsettled positions and impact our financial position, results of operations and cash flows.

A substantial disruption or lack of growth in interstate natural gas pipeline transmission and storage capacity or electric transmission capacity may impair our ability to meet customers' existing and future requirements.

In order to meet existing and future customer demands for natural gas and electricity, we must acquire sufficient supplies of natural gas and electricity, interstate pipeline transmission and storage capacity, and electric transmission capacity to serve such requirements. We must contract for reliable and adequate upstream transmission capacity for our distribution systems while considering the dynamics of the interstate pipeline and storage and electric transmission markets, our own on-system resources, as well as the characteristics of our markets. Our financial condition and results of operations would be materially and adversely affected if the future availability of these capacities were insufficient to meet future customer demands for natural gas and electricity. Currently, our natural gas operations in Florida rely primarily on two pipeline systems, FGT and Peninsula Pipeline (our intrastate pipeline subsidiary), for most of their natural gas supply and transmission. Our Florida electric operation secures electricity from external parties. Any continued interruption of service from these suppliers could adversely affect our ability to meet the demands of our customers, which could negatively impact our financial condition, results of operations and cash flows.

Our ability to grow our businesses could be adversely affected if we are not successful in making acquisitions or integrating the acquisitions we have completed.

One of our strategies is to grow through acquisitions of complementary businesses. Our acquisitions involve a number of risks including, but not limited to, the following:

- We may fail to realize synergies, benefits and growth opportunities anticipated as a result of the acquisition;
- We may not identify all material facts, issues and/or liabilities in due diligence; accurately anticipate required capital expenditures; or design and implement an effective internal control environment with respect to acquired businesses;
- We may experience difficulty in integrating the technology, systems, policies, processes or operations and retaining the employees, including key personnel of the acquired business;
- The historical financial results of acquisitions may not be representative of our future financial condition, results of operations and cash flows, and may not deliver the expected strategic and operational benefits;
- An acquisition may divert management's attention to integration activities or disrupt ongoing operations; and
- We may overpay for assets, which could result in the recording of excess goodwill and other intangible assets at values that ultimately may be subject to impairment charges.

These factors, amongst others, could impact our ability to successfully grow our business which could have a material adverse effect on our financial condition, results of operations and cash flows.

An impairment of our assets including long-lived assets, goodwill and other intangible assets, could negatively impact our financial condition and results of operations.

In accordance with GAAP, goodwill, intangibles, and other long-lived assets are tested for impairment annually or whenever events or changes in circumstances indicate impairment may have occurred. The testing of assets for impairment requires us to make significant estimates about our future performance and cash flows, as well as other assumptions. These values may be impacted by significant negative industry or economic trends, changes in technology, regulatory or industry conditions, disruptions to our business, inability to effectively integrate acquired businesses, unexpected significant change or planned changes in use of our assets, changes in the structure of our business, divestitures, market capitalization declines or changes in economic conditions or interest rates. If the testing performed indicates that impairment has occurred, we are required to record an impairment charge for the difference between the carrying value of the applicable asset and the implied fair value in the period the determination is made. Any changes in key assumptions, or actual performance compared with key assumptions, about our business and its future prospects could affect the fair value of one or more of our assets, which may result in an impairment charge and could negatively affect our financial condition and results of operations.

REGULATORY, LEGAL AND ENVIRONMENTAL RISKS

Regulation of our businesses, including changes in the regulatory environment, may adversely affect our financial condition, results of operations and cash flows.

The Delaware, Maryland, Ohio and Florida PSCs regulate our utility operations in those states. Eastern Shore is regulated by the FERC. The PSCs and the FERC set the rates that we can charge customers for services subject to their regulatory jurisdiction. Our ability to obtain timely rate increases and rate supplements to maintain current rates of return depends on regulatory approvals, and there can be no assurance that our regulated operations will be able to obtain such approvals or maintain currently authorized rates of return. When earnings from our regulated utilities exceed the authorized rate of return, the respective regulatory authority may require us to reduce our rates charged to customers in the future.

We may face certain regulatory and financial risks related to pipeline safety legislation.

We are subject to a number of legislative proposals at the federal and state level to implement increased oversight over natural gas pipeline operations and facilities to inspect pipeline facilities, upgrade pipeline facilities, or control the impact of a breach of such facilities. Additional operating expenses and capital expenditures may be necessary to remain in compliance. If new legislation is adopted and we incur additional expenses and expenditures, our financial condition, results of operations and cash flows could be adversely affected, particularly if we are not authorized through the regulatory process to recover from customers some or all of these costs and earn at an authorized rate of return.

Pipeline integrity programs and repairs may impose significant costs and liabilities on the Company.

The PHMSA requires pipeline operators to develop integrity management programs to comprehensively evaluate their pipelines and to take additional measures to protect pipeline segments located in areas where a leak or rupture could potentially do the most harm. The PHMSA constantly updates its regulations to ensure the highest levels of pipeline safety. As the operator of pipelines, we are required to: perform ongoing assessments of pipeline integrity; identify and characterize applicable threats to pipelines; improve data collection, integration and analysis; repair and remediate the pipelines as necessary; and implement preventative and mitigating actions. These new and any future regulations adopted by the PHMSA may impose more stringent requirements applicable to integrity management programs and other pipeline safety aspects of our operations, which could cause us to incur increased capital and operating costs and operational delays. Moreover, should we fail to comply with the PHMSA rules and regulations, we could be subject to significant penalties and fines which may adversely affect our financial condition, results of operations and cash flows.

We are subject to operating and litigation risks that may not be fully covered by insurance.

Our operations are subject to the operating hazards and risks normally incidental to handling, storing, transporting, transmitting and delivering natural gas, electricity and propane to end users. From time to time, we are a defendant in legal proceedings arising in the ordinary course of business. We maintain insurance coverage for our general liabilities in the amount of $52 million, which we believe is reasonable and prudent. However, there can be no assurance that such insurance will be adequate to protect us from all material expenses related to potential future claims for personal injury and property damage or that such levels of insurance will be available in the future at economical prices.

Costs of compliance with environmental laws may be significant.

We are subject to federal, state and local laws and regulations governing environmental quality and pollution control. These evolving laws and regulations may require expenditures over a long period of time to control environmental effects at our current and former operating sites, especially former MGP sites. To date, we have been able to recover, through regulatory rate mechanisms, the costs associated with the remediation of former MGP sites. However, there is no guarantee that we will be able to recover future remediation costs in the same manner or at all. A change in our approved rate mechanisms for recovery of environmental remediation costs, including costs at former MGP sites, could adversely affect our financial condition, results of operations and cash flows.

Further, existing environmental laws and regulations may be revised, or new laws and regulations seeking to protect the environment may be adopted and applicable to us. Revised or additional laws and regulations could result in additional operating restrictions on our facilities or increased compliance costs, which may not be fully recoverable. Any such increase in compliance costs could adversely affect our financial condition, results of operations and cash flows. Compliance with these legal obligations requires us to commit capital. If we fail to comply with environmental laws and regulations, even if such failure is caused by factors beyond our control, we may be assessed administrative, civil, or criminal penalties and fines, imposed with investigatory and remedial obligations, or issued injunctions all of which could impact our financial condition,

results of operations and cash flows. See *Item 8, Financial Statements and Supplementary Data* (Note 18*, Environmental Commitments and Contingencies,* in the consolidated financial statements).

Unanticipated changes in our tax provisions or exposure to additional tax liabilities could affect our profitability and cash flow.

We are subject to income and other taxes in the U.S. and the states in which we operate. Changes in applicable state or U.S. tax laws and regulations, or their interpretation and application, including the possibility of retroactive effect, could affect our tax expense and profitability. In addition, the final determination of any tax audits or related litigation could be materially different from our historical income tax provisions and accruals. Changes in our tax provision or an increase in our tax liabilities, due to changes in applicable law and regulations, the interpretation or application thereof, future changes in the tax rate or a final determination of tax audits or litigation, could have a material adverse effect on our financial position, results of operations and cash flows.

Our business may be subject in the future to additional regulatory and financial risks associated with global warming and climate change.

There have been a number of federal and state legislative and regulatory initiatives proposed in recent years in an attempt to control or limit the effects of global warming and overall climate change, including greenhouse gas emissions. The direction of future U.S. climate change regulation is difficult to predict given the potential for policy changes under different Presidential administrations and Congressional leadership. The Environmental Protection Agency, or other Federal agencies, may or may not continue developing regulations to reduce greenhouse gas emissions. Even if federal efforts in this area slow, states, cities and local jurisdictions may continue pursuing climate regulations. Any laws or regulations that may be adopted to restrict or reduce emissions of greenhouse gases could require us to incur additional operating costs, such as costs to purchase and operate emissions controls, to obtain emission allowances or to pay emission taxes, and could reduce demand for our energy delivery services. Federal, state and local legislative initiatives to implement renewable portfolio standards or to further subsidize the cost of solar, wind and other renewable power sources may change the demand for natural gas. We cannot predict the potential impact that such laws or regulations, if adopted, may have on our future business, financial position, results of operations and cash flows.

Climate changes may impact the demand for our services in the future and could result in more frequent and more severe weather events, which ultimately could adversely affect our financial results.

Significant climate change creates physical and financial risks for us. Our customers' energy needs vary with weather conditions, primarily temperature and humidity. For residential customers, heating and cooling represent their largest energy use. To the extent weather conditions may be affected by climate change, customers' energy use could increase or decrease depending on the duration and magnitude of any changes. To the extent that climate change adversely impacts the economic health or weather conditions of our service territories directly, it could adversely impact customer demand or our customers’ ability to pay. Changes in energy use due to weather variations may affect our financial condition through volatility and/or decreased revenues and cash flows. Extreme weather conditions require more system backups and can increase costs and system stresses, including service interruptions. Severe weather impacts our operating territories primarily through thunderstorms, tornadoes, hurricanes, and snow or ice storms. Weather conditions outside of our operating territories could also have an impact on our revenues and cash flows by affecting natural gas prices. To the extent the frequency of extreme weather events increases, this could increase our costs of providing services. We may not be able to pass on the higher costs to our customers or recover all the costs related to mitigating these physical risks. To the extent financial markets view climate change and emissions of greenhouse gases as a financial risk, this could adversely affect our ability to access capital markets or cause us to receive less favorable terms and conditions in future financings. Our business could be affected by the potential for investigations and lawsuits related to or against greenhouse gas emitters based on the claimed connection between greenhouse gas emissions and climate change, which could impact adversely our business, results of operations and cash flows.

Our certificate of incorporation and bylaws may delay or prevent a transaction that stockholders would view as favorable.

Our certificate of incorporation and bylaws, as well as Delaware law, contain provisions that could delay, defer or prevent an unsolicited change in control of Chesapeake Utilities, which may negatively affect the market price of our common stock or the ability of stockholders to participate in a transaction in which they might otherwise receive a premium for their shares over the then current market price. These provisions may also prevent changes in management. In addition, our BOD is authorized to issue preferred stock without stockholder approval on such terms as our BOD may determine. Our common stockholders will be subject to, and may be negatively affected by, the rights of any preferred stock that may be issued in the future.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 1C. CYBERSECURITY.

We recognize the importance of assessing, identifying, and managing material risks associated with cybersecurity threats, as such term is defined in Item 106(a) of Regulation S-K. We face a multitude of increasing cybersecurity threats, including those that target the nation's critical infrastructure sectors. Reliable service and operational continuity are critical to our success and the welfare of those we serve, including our ability to safely and reliably deliver energy to our customers through our transmission, distribution, and generation systems. We are committed to maintaining robust governance and oversight of these risks and to investing in the implementation of mechanisms, controls, technologies, and processes designed to help us assess, identify, and manage these risks in an evolving landscape.

To mitigate the threat to our business, we take a comprehensive, cross-functional approach to cybersecurity risk management. Our management team is actively involved in the oversight and implementation of our risk management program, of which cybersecurity represents an important component. At least annually, we conduct a cybersecurity risk assessment that evaluates information from internal stakeholders and external sources. The results of the assessment inform our alignment and prioritization of initiatives to enhance our security controls. As described in more detail below, we have established policies, standards, processes and practices for assessing, identifying, and managing material risks from cybersecurity threats which are designed to follow nationally recognized frameworks. These include, among other things: security awareness training for employees; mechanisms to detect and monitor unusual network activity; services that identify cybersecurity threats; conducting scans of the threat environment; evaluating our industry's risk profile; utilizing internal and external audits; conducting threat and vulnerability assessments; and containment and incident response tools. We also actively engage with industry groups for benchmarking and awareness of best practices. We maintain controls and procedures that are designed for prompt escalation of certain cybersecurity incidents so that decisions regarding public disclosure and reporting of such incidents can be made in a timely manner.

Our approach to cybersecurity risk management includes the following key elements:

- Multi-Layered Defense and Continuous Monitoring: Our approach to cybersecurity involves multiple layers of defense, incorporating detection capabilities, analytics, and real-time monitoring. We utilize data insights to identify potential anomalies, monitor evolving threats, and identify emerging risks. Safeguards are regularly evaluated and refined based on vulnerability assessments, threat intelligence, and insights gained from monitoring activities.
- Information Sharing and Collaboration: We share and receive threat intelligence with industry peers, government agencies, Information Sharing and Analysis Centers ("ISACs"), trade organizations, and cybersecurity forums. These collaborations provide a means for information exchange to improve threat detection and vulnerability mitigation.
- Third-Party Risk Assessments: We engage independent firms to assist with multiple phases of our cybersecurity program. This work includes testing, audits, and consulting to validate and strengthen our cybersecurity posture, and the design and operational effectiveness of our controls.
- Companywide Policies and Procedures: Our companywide cybersecurity policies and procedures cover areas such as encryption standards, endpoint security, remote access protocols, multi-factor authentication, and data protection. These policies undergo regular review to address the latest security standards and operational requirements, and to consider best practices and industry trends.
- Training and Awareness: We provide awareness training to our employees to help identify, avoid and mitigate cybersecurity threats. Our employees routinely participate in simulated phishing campaigns, education that reinforces compliance with our policies, standards and practices, and other awareness training. We also periodically perform tabletops and other exercises with management and incorporate external resources and advisors as needed. Our cybersecurity team collaborates with stakeholders across our business units to further analyze the risk to the Company, and form detection, mitigation and remediation strategies.
- Supplier Engagement: We work collectively with our suppliers to support cybersecurity resiliency in our supply chain. The Company uses a variety of processes to address third-party cybersecurity threats, including reviewing the

cybersecurity practices of such provider(s), contractually imposing obligations on the provider(s), notifications in the event of any known or suspected cyber incident, conducting security assessments, and periodic reassessments during the course of the Company's engagement with such provider(s).

As of the date of this Form 10-K, there have not been any cybersecurity incidents that have materially affected our business strategy, critical business operations, results of operations or financial condition. There can be no guarantee that our policies and procedures will be followed or, if followed, will be effective in protecting our systems and information. As such, this could impact, among other considerations, the execution of our business strategy and business operations, our financial condition and/or results of operations, and the security and effectiveness of our information technology systems. For more information regarding the risks we face from cybersecurity threats, please see *Item 1A*, *Risk Factors*, which should be read in conjunction with this Item 1C.

Cybersecurity Risk Governance and Oversight

The Company's BOD, in conjunction with its Audit Committee, oversees management's approach to cybersecurity risk and its alignment with the Company's enterprise risk management program. The BOD and Audit Committee receive reports from management regarding the prevention, detection, and mitigation of cybersecurity incidents, including security risks and vulnerabilities. Additionally, the Audit Committee receives updates on cybersecurity risk assessments, risk mitigation strategies, and relevant cybersecurity matters. The Company's information technology team is responsible for developing and implementing its information security program and reporting on cybersecurity matters to the BOD and Audit Committee.

The Company's Risk Management Committee ("RMC"), which is chaired by the Chief Risk Officer, evaluates risks relating to cybersecurity, among other significant risks, and oversees mitigation plans. The RMC is comprised of executive leadership across multiple functions, including individuals with responsibilities and oversight over legal, regulatory, finance and treasury, operations, information technology, business development, and policies and controls. The RMC meets monthly and receives regular updates on security performance metrics, global security risks, security enhancements, and updates on our security posture.

The Company has a cross-functional cybersecurity incident response team ("CIRT"). The Company's CIRT routinely reviews and updates our incident response plans, procedures and protocols, as well as reports to the Company's RMC on security matters that impact the confidentiality, integrity, or availability of the Company's data or information systems.

ITEM 2. Properties.

Offices and other operational facilities

We own or lease offices and other operational facilities in our service territories located in Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, Florida and Ohio.

Regulated Energy Segment

The following table presents a summary of miles of assets operated by our natural gas distribution, natural gas transmission and electric business units as of December 31, 2025:

Operations	Miles
Natural Gas Distribution	
Delmarva Natural Gas (Natural gas pipelines)	2,187
Delmarva Natural Gas (Underground propane pipelines)	17
FPU (Natural gas pipelines)	3,270
FCG (Natural gas pipelines)	4,087
Natural Gas Transmission	
Eastern Shore	532
FCG	79
Peninsula Pipeline	197
Aspire Energy Express [1]	—
Electric Distribution	
FPU	926
Total	11,295

[1] Aspire Energy Express had less than 1 mile of natural gas pipeline at December 31, 2025.

Peninsula Pipeline also has a 50 percent jointly owned intrastate transmission pipeline with Seacoast Gas Transmission, LLC ("Seacoast Gas Transmission") in Nassau County, Florida. The 26-mile pipeline serves demand in both Nassau and Duval Counties.

Unregulated Energy Segment

The following table presents propane storage capacity, miles of underground distribution mains and transmission for our Unregulated Energy Segment operations as of December 31, 2025:

Operations	Gallons or miles
Propane distribution	
Propane storage capacity (gallons in millions)	8.4
Underground propane distribution mains (miles)	152
Unregulated Energy Transmission and gathering (Aspire Energy)	
Natural gas pipelines (miles)	2,800

ITEM 3. Legal Proceedings.

See *Item 8, Financial Statements and Supplementary Data* (Note 19, *Other Commitments and Contingencies,* in the consolidated financial statements), which is incorporated into Item 3 by reference.

ITEM 4. Mine Safety Disclosures.

Not applicable.

PART II

ITEM 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Common Stock Dividends and Stockholder Information:

Chesapeake Utilities common stock is traded on the New York Stock Exchange ("NYSE") under the ticker symbol "CPK." As of February 23, 2026, we had 1,874 holders of record of our common stock. We declared quarterly cash dividends on our common stock totaling $2.695 per share in 2025 and $2.510 per share in 2024, and have paid a cash dividend to holders of our common stock for 65 consecutive years. Future dividend payments and amounts are at the discretion of the BOD and will depend on our financial condition, results of operations, capital requirements, and other factors.

Indentures to our long-term debt contain various restrictions which limit our ability to pay dividends. Refer to *Item 8, Financial Statements and Supplementary Data* (Note 12, *Long-Term Debt*, in the consolidated financial statements) for additional information.

Purchases of Equity Securities by the Issuer

The following table sets forth information on purchases by us or on our behalf of shares of our common stock during the quarter ended December 31, 2025:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [2]	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs [2]
October 1, 2025 through October 31, 2025 [1]	640	$ 137.06	—	—
November 1, 2025 through November 30, 2025	—	—	—	—
December 1, 2025 through December 31, 2025	—	—	—	—
Total	640	$ 137.06	—	—

[1] In October 2025, we purchased 640 shares of common stock on the open market for the purpose of reinvesting the dividend on shares held in the Rabbi Trust accounts under the Non-Qualified Deferred Compensation Plan. The Non-Qualified Deferred Compensation Plan is discussed in detail in *Item 8, Financial Statements and Supplementary Data* (Note 15, *Employee Benefit Plans,* in the consolidated financial statements).

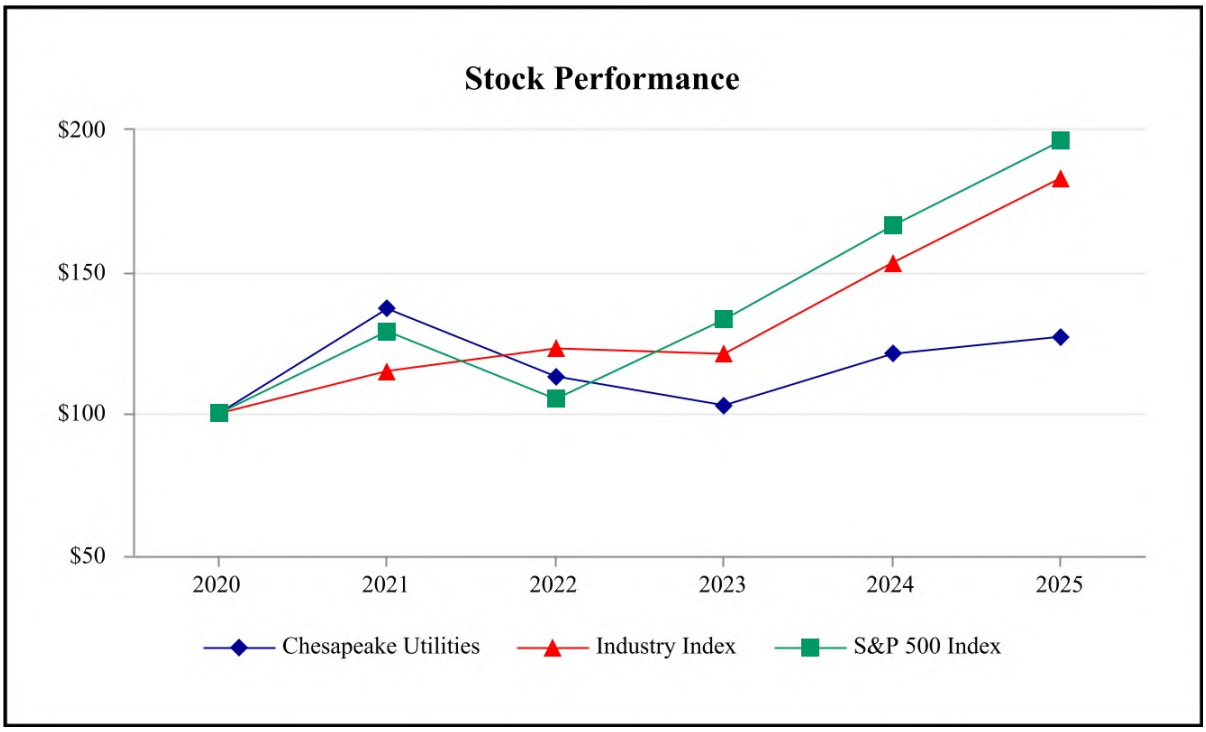
[2] Except for the purpose described in footnote [1], we have no publicly announced plans or programs to repurchase our shares.

Information on certain of our equity compensation plans, for which shares of our common stock are authorized for issuance, is included in the section of our Proxy Statement captioned “Equity Compensation Plan Information” and is incorporated herein by reference.

Common Stock Performance Graph

The stock performance graph and table below compares cumulative total stockholder return on our common stock during the five fiscal years ended December 31, 2025, with the cumulative total stockholder return of the Standard & Poor’s 500 Index and the cumulative total stockholder return of select peers, which include the following companies: Atmos Energy Corporation; Black Hills Corporation; New Jersey Resources Corporation; NiSource; Northwest Natural Gas Company; Northwestern Corporation; ONE Gas, Inc.; RGC Resources, Inc.; Spire, Inc.; and Unitil Corporation.

The comparison assumes $100 was invested on December 31, 2020 in our common stock and in each of the foregoing indices and assumes reinvested dividends. The comparisons in the graph below are based on historical data and are not intended to forecast the possible future performance of our common stock.



	2020	2021	2022	2023	2024	2025
Chesapeake Utilities	$ 100	$ 137	$ 113	$ 103	$ 121	$ 127
Industry Index	$ 100	$ 115	$ 123	$ 121	$ 153	$ 183
S&P 500 Index	$ 100	$ 129	$ 105	$ 133	$ 166	$ 196

ITEM 6. RESERVED.

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

This section provides management's discussion of Chesapeake Utilities and its consolidated subsidiaries, with specific information on results of operations, liquidity and capital resources, as well as discussion of how certain accounting principles affect our financial statements. It includes management's interpretation of our financial results and our operating segments, the factors affecting these results, the major factors expected to affect future operating results as well as investment and financing plans. This discussion should be read in conjunction with our consolidated financial statements and notes thereto in *Item 8, Financial Statements and Supplementary Data*.

Several factors exist that could influence our future financial performance, some of which are described in Item 1A*, Risk Factors*. They should be considered in connection with forward-looking statements contained in this Annual Report, or otherwise made by or on behalf of us, since these factors could cause actual results and conditions to differ materially from those set out in such forward-looking statements.

Earnings per share ("EPS") and Adjusted EPS information is presented on a diluted basis, unless otherwise noted.

Acquisition of FCG

On November 30, 2023, we completed the acquisition of FCG for $922.8 million in cash, including working capital adjustments as defined in the agreement that were settled during the first quarter of 2024, pursuant to the stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment. FCG currently serves approximately 125,000 residential and commercial natural gas customers across eight counties in Florida, including Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie and Indian River. Results for FCG are included within our consolidated results from the acquisition date.

In June 2023, FCG received approval from the Florida PSC for a $23.3 million total increase in base revenue in connection with its May 2022 rate case filing. The new rates, which became effective as of May 1, 2023, included the transfer of its SAFE program provisions from a rider clause to base rates, an increase in rates associated with a liquefied natural gas facility, and approval of FCG's proposed RSAM with a $25.0 million reserve amount. The RSAM was recorded as either an increase or decrease to accrued removal costs on the balance sheet, with a corresponding increase or decrease to depreciation and amortization expense. At December 31, 2024, the RSAM reserve had been completely utilized.

In February 2025, FCG filed a depreciation study with the Florida PSC. The application is requesting approval of revised annual depreciation rates, as well as a reduction related to a reserve imbalance that would be amortized over a two-year period. The outcome of the application was subject to review and approval by the Florida PSC. In February 2026, the Florida PSC approved a $6.8 million reserve imbalance to be amortized over the remaining life of the assets, with the revised depreciation rates effective as of January 1, 2025.

Non-GAAP Financial Measures

This document, including the tables herein, include references to both Generally Accepted Accounting Principles ("GAAP") and non-GAAP financial measures, including Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS. A "non-GAAP financial measure" is generally defined as a numerical measure of a company's historical or future performance that includes or excludes amounts, or that is subject to adjustments, so as to be different from the most directly comparable measure calculated or presented in accordance with GAAP. Our management believes certain non-GAAP financial measures, when considered together with GAAP financial measures, provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionately positive or negative impact on results in any particular period.

We calculate Adjusted Gross Margin by deducting the purchased cost of natural gas, propane and electricity and the cost of labor spent on direct revenue-producing activities from operating revenues. The costs included in Adjusted Gross Margin exclude depreciation and amortization and certain costs presented in operations and maintenance expenses in accordance with regulatory requirements. We calculate Adjusted Net Income and Adjusted EPS by deducting non-recurring costs and expenses associated with significant acquisitions that may affect the comparison of period-over-period results. These non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures. We believe that these non-GAAP financial measures are useful and meaningful to investors as a basis for making investment decisions, and provide investors with information that demonstrates the profitability achieved by the Company under allowed rates for regulated energy operations and under the Company's competitive pricing structures for unregulated energy operations. The Company's management uses these non-GAAP financial

measures in assessing a business unit's and the overall Company performance. Other companies may calculate these non-GAAP financial measures in a different manner.

The following tables reconcile Gross Margin, Net Income, and EPS, all as defined under GAAP, to our non-GAAP financial measures of Adjusted Gross Margin, Adjusted Net Income and Adjusted EPS for the years ended December 31, 2025, 2024 and 2023:

Adjusted Gross Margin

	For the Year Ended December 31, 2025			
(in millions)	**Regulated Energy**	**Unregulated Energy**	**Other and Eliminations**	**Total**
Operating Revenues	**$ 687.8**	**$ 271.9**	**$ (29.7)**	**$ 930.0**
Cost of Sales:				
Natural gas, propane and electric costs	(193.8)	(127.3)	29.6	(291.5)
Depreciation & amortization	(70.9)	(20.8)	—	(91.7)
Operations & maintenance expenses [(1)]	(54.7)	(39.1)	0.1	(93.7)
Gross Margin (GAAP)	**368.4**	**84.7**	**—**	**453.1**
Operations & maintenance expenses [(1)]	54.7	39.1	(0.1)	93.7
Depreciation & amortization	70.9	20.8	—	91.7
Adjusted Gross Margin (Non-GAAP)	**$ 494.0**	**$ 144.6**	**$ (0.1)**	**$ 638.5**

	For the Year Ended December 31, 2024			
(in millions)	**Regulated Energy**	**Unregulated Energy**	**Other and Eliminations**	**Total**
Operating Revenues	**$ 583.4**	**$ 228.4**	**$ (24.6)**	**$ 787.2**
Cost of Sales:				
Natural gas, propane and electric costs	(144.2)	(100.2)	24.6	(219.8)
Depreciation & amortization	(48.8)	(16.9)	—	(65.7)
Operations & maintenance expenses [(1)]	(48.6)	(33.1)	—	(81.7)
Gross Margin (GAAP)	**341.8**	**78.2**	**—**	**420.0**
Operations & maintenance expenses [(1)]	48.6	33.1	—	81.7
Depreciation & amortization	48.8	16.9	—	65.7
Adjusted Gross Margin (Non-GAAP)	**$ 439.2**	**$ 128.2**	**$ —**	**$ 567.4**

(in millions)	For the Year Ended December 31, 2023			
	Regulated Energy	**Unregulated Energy**	**Other and Eliminations**	**Total**
Operating Revenues	**$ 473.6**	**$ 223.1**	**$ (26.1)**	**$ 670.6**
Cost of Sales:				
Natural gas, propane and electric costs	(140.0)	(102.5)	26.0	(216.5)
Depreciation & amortization	(48.2)	(17.3)	—	(65.5)
Operations & maintenance expenses [(1)]	(27.5)	(31.5)	0.3	(58.7)
Gross Margin (GAAP)	**257.9**	**71.8**	**0.2**	**329.9**
Operations & maintenance expenses [(1)]	27.5	31.5	(0.3)	58.7
Depreciation & amortization	48.2	17.3	—	65.5
Adjusted Gross Margin (Non-GAAP)	**$ 333.6**	**$ 120.6**	**$ (0.1)**	**$ 454.1**

[(1)] Operations & maintenance expenses within the Consolidated Statements of Income are presented in accordance with regulatory requirements and to provide comparability within the industry. Operations & maintenance expenses which are deemed to be directly attributable to revenue producing activities have been separately presented above in order to calculate Gross Margin as defined under GAAP.

2025 to 2024 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for 2025 was $368.4 million, an increase of $26.6 million, or 7.8 percent, compared to 2024. Higher gross margin largely reflects incremental margin from regulatory initiatives and infrastructure programs, pipeline expansion projects and natural gas organic growth.

2024 to 2023 Gross Margin (GAAP) Variance – Regulated Energy

Gross Margin (GAAP) for the Regulated Energy segment for the year ended December 31, 2024 compared to 2023 is described in *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2024, which is incorporated herein by reference.

2025 to 2024 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for 2025 was $84.7 million, an increase of $6.5 million, or 8.3 percent, compared to 2024. Higher gross margin resulted primarily from increased CNG, RNG and LNG services, and increased customer consumption.

2024 to 2023 Gross Margin (GAAP) Variance – Unregulated Energy

Gross Margin (GAAP) for the Unregulated Energy segment for the year ended December 31, 2024 compared to 2023 is described in *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2024, which is incorporated herein by reference.

Adjusted Net Income and Adjusted EPS

(dollars in millions, shares in thousands (except per share data))	Year Ended December 31, 2025	2024	2023
Net Income (GAAP)	**$ 140.3**	$ 118.6	$ 87.2
FCG transaction and transition-related expenses, net [1]	**0.8**	2.9	10.6
Adjusted Net Income (Non-GAAP)	**$ 141.1**	$ 121.5	$ 97.8
Weighted average common shares outstanding - diluted [2]	**23,488**	22,531	18,435
Earnings Per Share - Diluted (GAAP)	**$ 5.97**	$ 5.26	$ 4.73
FCG transaction and transition-related expenses, net [1]	**0.04**	0.13	0.58
Adjusted Earnings Per Share - Diluted (Non-GAAP)	**$ 6.01**	$ 5.39	$ 5.31

[1] Transaction and transition-related expenses represent non-recurring costs attributable to the acquisition and integration of FCG including, but not limited to transaction costs, transition services, consulting, system integration, rebranding, and legal fees.

[2] Weighted average shares reflect the impact of 4.4 million common shares issued in November 2023 in connection with the acquisition of FCG. See Notes 4 and 14 for additional details on the acquisition and related equity offering.

2025 to 2024 Net Income (GAAP) Variance

Net income (GAAP) for the year ended December 31, 2025 was $140.3 million, or $5.97 per share, compared to $118.6 million, or $5.26 per share in 2024. Net income for the years ended December 31, 2025 and 2024 included $0.8 million and $2.9 million, respectively, of transaction and transition-related expenses in connection with the acquisition and integration of FCG. Excluding these costs, net income increased by $19.6 million.

2024 to 2023 Net Income (GAAP) Variance

Net income (GAAP) for the year ended December 31, 2024 compared to 2023 is described in *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2024, which is incorporated herein by reference.

OVERVIEW AND HIGHLIGHTS

(dollars in millions, shares in thousands (except per share data))			Increase			Increase
For the Year Ended December 31,	**2025**	**2024**	**(Decrease)**	**2024**	**2023**	**(Decrease)**
Operating Income						
Regulated Energy	**$ 222.0**	$ 196.2	$ 25.8	$ 196.2	$ 126.2	$ 70.0
Unregulated Energy	**33.6**	31.7	1.9	31.7	24.4	7.3
Other businesses and eliminations	**0.3**	0.3	—	0.3	0.2	0.1
Total Operating Income	**255.9**	228.2	27.7	228.2	150.8	77.4
Other income, net	**9.6**	2.0	7.6	2.0	1.4	0.6
Interest charges	**72.5**	68.4	4.1	68.4	36.9	31.5
Income from Before Income Taxes	**193.0**	161.8	31.2	161.8	115.3	46.5
Income taxes	**52.7**	43.2	9.5	43.2	28.1	15.1
Net Income	**$ 140.3**	$ 118.6	$ 21.7	$ 118.6	$ 87.2	$ 31.4
Weighted Average Common Shares Outstanding: [1]						
Basic	**23,389**	22,469	920	22,469	18,371	4,098
Diluted	**23,488**	22,531	957	22,531	18,435	4,096
Earnings Per Share of Common Stock						
Basic	**$ 6.00**	$ 5.28	$ 0.72	$ 5.28	$ 4.75	$ 0.53
Diluted	**$ 5.97**	$ 5.26	$ 0.71	$ 5.26	$ 4.73	$ 0.53
Adjusted Net Income and Adjusted Earnings Per Share						
Net Income (GAAP)	**$ 140.3**	$ 118.6	$ 21.7	$ 118.6	$ 87.2	$ 31.4
FCG transaction and transition-related expenses, net [2]	**0.8**	2.9	(2.1)	2.9	10.6	(7.7)
Adjusted Net Income (Non-GAAP)	**$ 141.1**	$ 121.5	$ 19.6	$ 121.5	$ 97.8	$ 23.7
Earnings Per Share - Diluted (GAAP)	**$ 5.97**	$ 5.26	$ 0.71	$ 5.26	$ 4.73	$ 0.53
FCG transaction and transition-related expenses, net [2]	**0.04**	0.13	(0.09)	0.13	0.58	(0.45)
Adjusted Earnings Per Share - Diluted (Non-GAAP)	**$ 6.01**	$ 5.39	$ 0.62	$ 5.39	$ 5.31	$ 0.08

[1] Weighted average shares reflect the impact of 4.4 million common shares issued in November 2023 in connection with the acquisition of FCG.

[2] Transaction and transition-related expenses represent costs attributable to the acquisition and integration of FCG including, but not limited to, transaction costs, transition services, consulting, system integration, rebranding and legal fees.

2025 compared to 2024

Key variances in operations between 2025 and 2024 included:

(in millions, except per share data)	Pre-tax Income	Net Income	Earnings Per Share
Year ended December 31, 2024 Adjusted Results [1]	**$ 165.8**	**$ 121.5**	**$ 5.39**
Increased (Decreased) Adjusted Gross Margins:			
Natural gas transmission service expansions, including interim services [2]	18.8	13.7	0.58
Contributions from regulated infrastructure programs [2]	13.8	10.0	0.43
Rate changes associated with recent rate case activities [2]	12.6	9.1	0.39
Increased CNG/RNG/LNG services [2]	10.7	7.8	0.33
Increased customer consumption	9.5	6.9	0.28
Natural gas growth (excluding service expansions)	7.4	5.4	0.23
Change in propane margins and service fees	(1.4)	(1.0)	(0.04)
	71.4	51.9	2.20
Increased Other Operating Expenses (Excluding Natural Gas, Electricity and Propane Costs):			
Depreciation, amortization and property taxes	(26.3)	(19.1)	(0.82)
Facilities expenses, maintenance costs and outside services	(9.2)	(6.7)	(0.28)
Payroll, benefits and other employee-related expenses	(6.7)	(4.9)	(0.21)
Credit, collections and customer service costs	(1.5)	(1.1)	(0.05)
Insurance-related costs	(1.1)	(0.8)	(0.03)
Regulatory expenses	(0.9)	(0.7)	(0.03)
Vehicle expenses	(0.8)	(0.6)	(0.02)
	(46.5)	(33.9)	(1.44)
Changes in other income	7.6	5.5	0.24
Interest charges	(4.2)	(3.0)	(0.13)
Increase in shares outstanding due to 2024 and 2025 equity issuances [3]	—	—	(0.22)
Net other changes	—	(0.9)	(0.03)
	3.4	1.6	(0.14)
Year ended December 31, 2025 Adjusted Results[1]	**$ 194.1**	**$ 141.1**	**$ 6.01**

[1] Transaction and transition-related expenses attributable to the acquisition and integration of FCG have been excluded from the Company's non-GAAP measures of adjusted net income and adjusted EPS. See reconciliations above for a detailed comparison to the related GAAP measures.
[2] Refer to Major Projects and Initiatives table for additional information.
[3] Reflects the impact of common shares issued under the DRIP and ATM program.

SUMMARY OF KEY FACTORS

Recently Completed and Ongoing Major Projects and Initiatives

We constantly pursue and develop additional projects and regulatory initiatives to serve existing and new customers, further grow our businesses and earnings, and increase shareholder value. The following table includes the major projects and initiatives that are currently underway or recently completed. Our practice is to add incremental margin associated with new projects and regulatory initiatives to this table once negotiations or details are substantially final and/or the associated earnings can be estimated. Major projects and initiatives that have generated consistent year-over-year adjusted gross margin contributions are removed from the table at the beginning of the next calendar year.

	Adjusted Gross Margin				
	Year Ended December 31,			Estimate for Calendar Year	
(in millions)	2023	2024	2025	2026	2027
Pipeline Expansions:					
St. Cloud / Twin Lakes Expansion	$ 0.3	$ 0.6	**$ 2.9**	$ 3.8	$ 3.8
Wildlight	0.5	1.5	**2.6**	4.3	4.3
Newberry	—	1.4	**2.6**	2.6	2.6
Worcester Resiliency Upgrade	—	—	**0.3**	10.6	17.1
Boynton Beach	—	—	**3.0**	3.4	3.4
New Smyrna Beach	—	—	**1.6**	2.6	2.6
Central Florida Reinforcement	—	0.1	**2.6**	4.3	4.3
Warwick	—	0.4	**1.9**	1.9	1.9
Renewable Natural Gas Supply Projects	—	—	**2.5**	5.4	6.4
Miami Inner Loop	—	—	**2.8**	7.6	7.6
Duncan Plains	—	—	—	—	1.5
Total Pipeline Expansions	0.8	4.0	**22.8**	46.5	55.5
CNG/RNG/LNG Transportation and Infrastructure	11.1	16.4	**27.3**	28.5	29.7
Regulatory Initiatives:					
Florida GUARD Program	0.4	3.6	**7.1**	10.1	13.0
FCG SAFE Program	—	3.8	**8.4**	12.7	16.4
Capital Cost Surcharge Programs	2.8	3.2	**5.7**	9.0	10.1
Electric Storm Protection Plan	1.3	3.2	**6.4**	9.1	11.4
Maryland Rate Case	—	—	**1.5**	3.5	3.5
Delaware Rate Case [1]	—	0.6	**4.7**	6.1	6.1
Electric Rate Case [1]	—	0.3	**7.3**	8.6	9.1
Florida Mandatory Relocates	—	—	—	1.5	1.5
Florida City Gas Rate Case	—	—	—	TBD	TBD
Total Regulatory Initiatives	4.5	14.7	**41.1**	60.6	71.1
Total	$ 16.4	$ 35.1	**$ 91.2**	$ 135.6	$ 156.3

[1] Includes adjusted gross margin attributable to interim rates during 2024 and 2025. See additional information provided below.

Discussion of Major Projects and Initiatives

Pipeline Expansions

St. Cloud / Twin Lakes Expansion
In July 2022, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 2,400 Dts/d of firm service in the St. Cloud, Florida area. As part of this agreement, Peninsula Pipeline constructed a pipeline extension and regulator station for FPU. The extension supports new incremental load due to growth in the area, including providing service, most immediately, to the residential development, Twin Lakes. The expansion also improves reliability and provides operational benefits to FPU's existing distribution system in the area, supporting future growth. We expect this extension to generate annual adjusted gross margin of $0.6 million in 2026 and thereafter.

In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of an amendment to its Transportation Service Agreement with FPU for a project that will support additional supply to communities in the St. Cloud, Florida area. The project is driven by the need to expand gas service to future communities that are expected in that area. Peninsula Pipeline will construct pipeline expansions that will allow FPU to serve the expected new growth. The expansion will provide FPU with an additional 10,000 Dts/d. The Florida PSC approved the project in May 2024, and it is expected to be complete in the second quarter of 2026. We expect this expansion to generate approximately $3.2 million of adjusted gross margin in 2026 and thereafter.

For the year ended December 31, 2025, these projects generated additional adjusted gross margin of $2.3 million.

Wildlight Expansion
In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The project enables us to meet the significant growing demand for service in Yulee, Florida. The agreement enables us to construct the project during the build-out of the community and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. The petition was approved by the Florida PSC in November 2022. The various phases of the project commenced in the first quarter of 2023, and construction was completed in 2025. The project generated additional adjusted gross margin of $1.1 million for the year ended December 31, 2025, and is expected to contribute adjusted gross margin of approximately $4.3 million in 2026 and thereafter.

Newberry Expansion
In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dts/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A filing to address the acquisition and conversion of existing Company owned propane community gas systems in Newberry was made in November 2023. The Florida PSC approved it in April 2024. Conversions of the community gas systems commenced in the second quarter of 2024 and are projected to be complete in the first quarter of 2026. The project generated additional adjusted gross margin of $1.2 million for the year ended December 31, 2025, and is expected to contribute adjusted gross margin of approximately $2.6 million in 2026 and thereafter.

Worcester Resiliency Upgrade
In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. In January 2025, the FERC approved the project.

In June 2025, Eastern Shore filed a limited amended application with the FERC requesting revised initial transportation rates for the project. The revised rates reflected increased capital costs associated with unanticipated changes in global markets and supply chains, including the availability of skilled laborers with the requisite certifications to work on this project. Eastern Shore requested expedited action by the FERC in relation to this matter and an approved order was issued in July 2025. Construction is underway and the project is expected to be placed into service in mid-2026. The project generated adjusted

gross margin of $0.3 million for the year ended December 31, 2025, and is expected to contribute adjusted gross margin of approximately $10.6 million in 2026 and $17.1 million thereafter.

East Coast Reinforcement Projects (Boynton Beach and New Smyrna Beach)
In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities on the East Coast of Florida. The projects are driven by the need for increased supply to coastal portions of the state that have experienced an increase in population growth. Peninsula Pipeline will construct several pipeline extensions which will support FPU's distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/d and 3,400 Dts/d, respectively. The Florida PSC approved the projects in March 2024. New Smyrna Beach was placed into service during May 2025 and construction is projected to be complete for Boynton Beach in the second quarter of 2026. The projects generated adjusted gross margin of $4.6 million for the year ended December 31, 2025, and are expected to contribute adjusted gross margin of approximately $6.0 million in 2026 and thereafter.

Central Florida Reinforcement Projects (Plant City and Lake Mattie)
In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities located in Central Florida. The projects are driven by the need for increased supply to communities in central Florida that are experiencing significant population growth. Peninsula Pipeline's extensions support FPU's distribution system around the Plant City and Lake Mattie area's of Florida with an additional 5,000 Dts/d and 8,700 Dts/d, respectively. The Florida PSC approved the projects in May 2024. The Plant City project was completed in the fourth quarter of 2024, and the Lake Mattie project went into service in July 2025. The projects generated additional adjusted gross margin of $2.5 million for the year ended December 31, 2025, and are expected to contribute adjusted gross margin of approximately $4.3 million in 2026 and thereafter.

Warwick Pipeline Project
In July 2024, we announced plans to extend Eastern Shore's transmission deliverability by constructing an additional 4.4 miles of six inch steel pipeline. The project will reinforce the supply and growth for our Delaware division distribution system and expand natural gas service further into Maryland for anticipated future growth. This project was placed into service during the fourth quarter of 2024, generated additional adjusted gross margin of $1.5 million for the year ended December 31, 2025, and is expected to contribute adjusted gross margin of approximately $1.9 million in 2026 and thereafter.

Renewable Natural Gas Supply Projects
In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of Transportation Service Agreements with FCG for projects that will support the transportation of additional renewable energy supply to FCG. The projects, located in Florida's Brevard, Indian River and Miami-Dade counties, will bring renewable natural gas produced from local landfills into FCG's natural gas distribution system. Peninsula Pipeline will construct several pipeline extensions which will support FCG's distribution system in Brevard County, Indian River County, and Miami-Dade County. Benefits of these projects include increased gas supply to serve expected FCG growth, strengthened system reliability and additional system flexibility. The Florida PSC approved the petition at its July 2024 meeting. In October 2025, the Florida PSC approved amendments to the Transportation Service Agreements that were filed to include Peninsula Pipeline as a party to the related interconnection agreements. The projects are underway and are estimated to be completed in the second half of 2026. These three renewable projects generated adjusted gross margin of $2.5 million for the year ended December 31, 2025, and are projected to generate total adjusted gross margin of approximately $5.4 million in 2026 and $6.4 million thereafter.

Miami Inner Loop Pipeline Projects
In September 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of the Transportation Service Agreement with FCG for a series of projects that will enhance gas infrastructure in Miami-Dade County. The proposed expansion consists of the development of several pipeline projects to support growth and FCG's distribution system, as well as enhance FCG's access to gas from various points in the Miami-Dade County area. The expansion was approved in February 2025 and interim services began in August 2025 with permanent facilities expected to be in service by the second quarter of 2026. The project generated adjusted gross margin of $2.8 million for the year ended December 31, 2025, and is expected to contribute adjusted gross margin of approximately $7.6 million in 2026 and thereafter.

Duncan Plains Pipeline Project
In July 2025, Aspire Energy Express entered into an agreement with American Electric Power to construct and operate an intrastate natural gas pipeline in central Ohio to serve a new fuel-cell facility, which will provide on-site electric power to a data center. This new transmission infrastructure is expected to be in service in the first half of 2027 and is expected to contribute adjusted gross margin of approximately $1.5 million in 2027.

CNG/RNG/LNG Transportation and Infrastructure

We have made a commitment to meet customer demand for CNG, RNG and LNG in the markets we serve. This has included making investments within Marlin Gas Services to be able to transport these products through its virtual pipeline fleet to customers. To date, we have also made an infrastructure investment in Ohio, enabling RNG to fuel a third party landfill fleet and to transport RNG to end use customers off our pipeline system.

We are also involved in various other projects, all at various stages and all with different opportunities to participate across the energy value chain. In many of these projects, Marlin will play a key role in ensuring the RNG is transported to one of our many pipeline systems where it will be injected. We include our RNG transportation services and infrastructure related adjusted gross margin from across the organization in combination with our CNG and LNG projects.

For the year ended December 31, 2025, we generated $10.9 million in additional adjusted gross margin including the margin attributable to the Full Circle Dairy and Noble Road projects described below. We estimate annual adjusted gross margin of approximately $28.5 million in 2026, and $29.7 million in 2027 for these transportation related services, with potential for additional growth in future years.

Full Circle Dairy
In February 2023, we announced plans to construct, own and operate a dairy manure RNG facility at Full Circle Dairy in Madison County, Florida. The project consists of a facility converting dairy manure to RNG and transportation assets to bring the gas to market. The first injection of RNG occurred in the second quarter of 2024.

Noble Road Landfill RNG Project
In October 2021, Aspire Energy completed construction of its Noble Road Landfill RNG pipeline project, a 33.1-mile pipeline, which transports RNG generated from the Noble Road landfill to Aspire Energy's pipeline system, displacing conventionally produced natural gas. In conjunction with this expansion, Aspire Energy also upgraded an existing compressor station and installed two new metering and regulation sites. The RNG volume represents more than 10 percent of Aspire Energy's gas gathering volumes.

Regulatory Initiatives (with recent regulatory actions)

Florida GUARD Program
In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205.0 million of capital expenditures projected to be spent over a 10-year period. For the year ended December 31, 2025, there was $3.5 million of incremental adjusted gross margin generated pursuant to the program. The program is expected to generate $10.1 million of adjusted gross margin in 2026 and $13.0 million in 2027.

FCG SAFE Program

In June 2023, the Florida PSC issued the approval order for the continuation of the SAFE program beyond its 2025 expiration date and inclusion of 150 miles of additional mains and services located in rear property easements. The SAFE program is designed to relocate certain mains and facilities associated with rear lot easements to street front locations to improve FCG's ability to inspect and maintain the facilities and reduce opportunities for damage and theft. In the same order, the Florida PSC approved a replacement of 160 miles of pipe that was used in the 1970s and 1980s and shown through industry research to exhibit premature failure in the form of cracking. The program includes projected capital expenditures of $205.0 million over a 10-year period. For the year ended December 31, 2025, there was $4.6 million of additional adjusted gross margin generated pursuant to the program. The program is expected to generate $12.7 million of adjusted gross margin in 2026 and $16.4 million in 2027.

In April 2024, FCG filed a petition with the Florida PSC to more closely align the SAFE Program with FPU's GUARD program. Specifically, the requested modifications will enable FCG to accelerate remediation related to problematic pipe and facilities consisting of obsolete and exposed pipe. These efforts will serve to improve the safety and reliability of service to FCG's customers, and the modifications will result in an estimated additional $50.0 million in capital expenditures associated with the SAFE Program which would increase the total projected capital expenditures to approximately $255.0 million over a 10-year period. The Florida PSC approved the modifications in September 2024.

Capital Cost Surcharge Programs

In December 2025, Eastern Shore submitted a filing with the FERC regarding a capital cost surcharge to recover capital costs associated with the replacement of existing Eastern Shore facilities because of mandated highway relocation projects as well as compliance with PHMSA regulation. The capital cost surcharge mechanism was approved in Eastern Shore's last rate case. In conjunction with the filing of this surcharge, a cumulative adjustment to the existing surcharge to reflect additional depreciation was included. The FERC issued an order approving the surcharge as filed in December 2025. The combined revised surcharge became effective January 1, 2026. For the year ended December 31, 2025, there was $2.5 million of incremental adjusted gross margin generated pursuant to the program. Eastern Shore expects to produce adjusted gross margin of approximately $9.0 million in 2026 and $10.1 million in 2027 from relocation projects, which is ultimately dependent upon the timing of filings and the completion of construction.

Storm Protection Plan

In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC"), which require electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility’s immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs related to its SPP. Our Florida electric distribution operation's SPP and SPPCRC were filed and approved in 2022, with modifications, by the Florida PSC. Rates associated with this initiative were effective in January 2023. In October 2024, the Florida PSC approved the Company's projected 2025 SPP costs of $20.4 million for both capital and operating expenses. Our Florida electric distribution operations filed an updated SPP plan in January 2025 which was approved in June 2025, with modifications by the Florida PSC. For the year ended December 31, 2025, this initiative generated incremental adjusted gross margin of $3.2 million, and is expected to generate $9.1 million in 2026. We expect continued investment under the SPP going forward.

Maryland Natural Gas Rate Case

In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, the "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we sought approval of the following: (i) permanent rate relief of approximately $6.9 million with a ROE of 11.5 percent; (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. In August 2024, the Maryland natural gas distribution businesses, the Maryland OPC and PSC staff reached a settlement which provided for, among other things, an increase in annual base rates of $2.6 million. In September 2024, the Maryland Public Utility Judge issued an order approving the related settlement agreement in part. The $2.6 million increase in annual base rates was approved, and the Company filed a Phase II filing in November 2024 to determine rate design across the Maryland natural gas distribution businesses, consolidation of the applicable tariffs and recovery of technology costs. The hearing was held in March 2025, during which Phase II was approved, including an additional $0.9 million in revenue requirement, for a total cumulative increase of $3.5 million. A final order was issued in April 2025 and included approval of the consolidation of the operations and the assets of CUC-Maryland Division, Sandpiper Energy, and Elkton Gas into one entity which was renamed and operates as Chesapeake Utilities of Maryland, Inc. For the year ended December 31, 2025, there was $1.5 million of adjusted gross margin generated pursuant to the program. The program is expected to generate $3.5 million of adjusted gross margin in 2026 and in 2027.

Maryland Natural Gas Depreciation Study

In January 2024, our Maryland natural gas distribution businesses filed a joint petition for approval of their proposed unified depreciation rates with the Maryland PSC. A settlement agreement between the Company, PSC staff and the OPC was reached and the final order approving the settlement agreement went into effect in July 2024, with new depreciation rates effective as of January 1, 2023. The approved depreciation rates resulted in an annual reduction in depreciation expense of approximately $1.2 million.

Delaware Natural Gas Rate Case

In August 2024, our Delaware natural gas division filed an application for a natural gas rate case with the Delaware PSC seeking approval of the following: (i) permanent rate relief of approximately $12.1 million with a ROE of 11.5 percent; (ii) proposed changes to depreciation rates which were part of a depreciation study also submitted with the filing; and (iii) authorization to make certain changes to tariffs. Annualized interim rates were approved by the Delaware PSC in the amount of $2.5 million and became effective in October 2024. A settlement among the Company, PSC staff and the Delaware Division of the Public Advocate was reached and approved by the Delaware PSC in June 2025 providing an annual revenue increase of $6.1 million, as well as dividing the rate case into two phases. Rates set to recover the approved components of the increase were effective in March 2025. In October 2025, a settlement was reached for Phase II of the rate case addressing tariff-related changes including rate design and approved by the Delaware Public Service Commission with rates effective as of October 15, 2025. For the year ended December 31, 2025, there was $4.1 million of additional adjusted gross margin generated and final rates are expected to generate approximately $6.1 million of adjusted gross margin in 2026 and in 2027.

FPU Electric Rate Case

In August 2024, our Florida Electric division filed a petition with the Florida PSC seeking a general base rate increase of $12.6 million with a ROE of 11.3 percent based on a 2025 projected test year. Annualized interim rates of approximately $1.8 million were approved with an effective date of November 1, 2024. In March 2025, the Florida PSC approved the permanent rate increase, but the order was subsequently protested. In May 2025, the Company reached a settlement agreement with the interested parties to resolve all outstanding issues. This settlement which was approved by the Florida PSC in July 2025, provides for a total base rate increase of approximately $8.6 million on an annual basis, with $1.0 million of the increase deferred from the first year's base rate increase and recovered over three years. A step-up rate increase was also approved for up to $0.7 million, upon completion of the purchase and refurbishment of certain substations, which is expected to be completed in December 2026. For the year ended December 31, 2025, there was $7.0 million of additional adjusted gross margin generated and final rates are expected to generate approximately $8.6 million of adjusted gross margin in 2026 and $9.1 million in 2027.

Florida Mandatory Relocates

In October 2025, FPU and FCG filed a joint petition for approval to establish a recovery surcharge for actual, estimated and projected relocation costs pursuant to the Florida Administrative Code which enables companies to recover the costs associated with relocating or reconstructing facilities that have been required by governmental entities. The projected revenue requirement for 2026 is $0.5 million for FPU and $1.0 million for FCG. The Florida PSC approved the petition in February 2026, with the surcharge effective in March 2026.

Florida City Gas Rate Case

In February 2026, FCG provided notice to the Florida PSC of its intent to file a petition seeking a general rate base increase based on a 2027 projected test year. The rate case filing is expected to be submitted in April 2026 and the outcome of the application will be subject to review and approval by the Florida PSC.

FCG Depreciation Study

In February 2025, FCG filed a depreciation study with the Florida PSC. The application requested approval of revised annual depreciation rates, as well as a reduction related to a reserve imbalance that would be amortized over a two-year period. The outcome of the application was subject to review and approval by the Florida PSC. In February 2026, the Florida PSC approved a $6.8 million reserve imbalance to be amortized over the remaining life of the assets, with the revised depreciation rates effective as of January 1, 2025.

Other Major Factors Influencing Adjusted Gross Margin

Weather Impact

In 2025, increased customer consumption, which includes the effects of colder weather, largely in the Company's Ohio, Delmarva and Florida service areas, compared to the prior year resulted in a $9.5 million increase in adjusted gross margin. The following table summarizes HDD and CDD variances from the 10-year average HDD/CDD ("Normal") for the years ended 2025 compared to 2024, and 2024 compared to 2023.

HDD and CDD Information

	For the Year Ended December 31,					
	2025	**2024**	**Variance**	**2024**	**2023**	**Variance**
Delmarva						
Actual HDD	**4,107**	3,634	473	3,634	3,416	218
10-Year Average HDD ("Normal")	**3,919**	4,039	(120)	4,039	4,161	(122)
Variance from Normal	**188**	(405)		(405)	(745)	
Florida						
Actual HDD	**951**	796	155	796	664	132
10-Year Average HDD ("Normal")	**781**	794	(13)	794	826	(32)
Variance from Normal	**170**	2		2	(162)	
Florida City Gas						
Actual HDD	**429**	351	78	351	255	96
10-Year Average HDD ("Normal")	**340**	348	(8)	348	361	(13)
Variance from Normal	**89**	3		3	(106)	
Ohio						
Actual HDD	**6,120**	5,014	1,106	5,014	5,043	(29)
10-Year Average HDD ("Normal")	**5,357**	5,594	(237)	5,594	5,594	—
Variance from Normal	**763**	(580)		(580)	(551)	
Florida						
Actual CDD	**2,951**	3,299	(348)	3,299	3,101	198
10-Year Average CDD ("Normal")	**3,037**	3,009	28	3,009	2,934	75
Variance from Normal	**(86)**	290		290	167	

Natural Gas Distribution Growth

The average number of residential customers served on the Delmarva Peninsula, by FPU and by FCG increased by approximately 4.1 percent, 3.6 percent and 2.2 percent, respectively, during 2025.

The increase in adjusted gross margin resulting from customer growth is provided in the following table:

	Adjusted Gross Margin Increase	
	For the Year Ended December 31, 2025	
(in millions)	**Delmarva Peninsula**	**Florida**
Customer growth:		
Residential	$ 1.5	$ 3.1
Commercial and industrial	0.3	2.5
Total customer growth	$ 1.8	$ 5.6

REGULATED ENERGY

For the Year Ended December 31,	2025	2024	Change	2024	2023	Change
(in millions)						
Revenue	**$ 687.8**	$ 583.4	$ 104.4	$ 583.4	$ 473.6	$ 109.8
Regulated natural gas and electric costs	**193.8**	144.2	49.6	144.2	140.0	4.2
Adjusted gross margin [1]	**494.0**	439.2	54.8	439.2	333.6	105.6
Operations & maintenance	**160.2**	150.4	(9.8)	150.4	119.8	(30.6)
Depreciation, amortization and property taxes [2]	**104.7**	82.5	(22.2)	82.5	71.7	(10.8)
Other taxes	**5.9**	6.1	0.2	6.1	5.5	(0.6)
FCG transaction and transition-related expenses [3]	**1.2**	4.0	2.8	4.0	10.4	6.4
Other operating expenses	**272.0**	243.0	(29.0)	243.0	207.4	(35.6)
Operating Income [4]	**$ 222.0**	$ 196.2	$ 25.8	$ 196.2	$ 126.2	$ 70.0

[1] Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance. For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above.
[2] Includes the absence of an RSAM adjustment from FCG which represented a $15.5 million benefit during the year ended December 31, 2024.
[3] Transaction and transition-related expenses represent costs attributable to the acquisition and integration of FCG including, but not limited to, transaction costs, transition services, consulting, system integration, rebranding and legal fees.
[4] Operating results for FCG are included from the acquisition date (November 30, 2023).

2025 compared to 2024

Operating income for the Regulated Energy segment for 2025 was $222.0 million, an increase of $25.8 million compared to 2024. Excluding transaction and transition-related expenses associated with the acquisition of FCG, operating income increased $23.0 million or 11.5 percent compared to the prior year. Higher operating income reflects incremental margin from our regulatory initiatives and infrastructure programs, pipeline expansion projects and organic growth in our natural gas distribution businesses. Excluding the transaction and transition-related expenses described above, operating expenses increased by $31.8 million compared to the prior year primarily attributable to higher depreciation, amortization and property taxes and increased facilities expenses, maintenance costs and outside services. Increases in depreciation are attributable to growth projects and the absence of an RSAM adjustment from FCG which represented a $15.5 million benefit compared to the prior year.

Adjusted Gross Margin

Items contributing to the year-over-year adjusted gross margin increase are listed in the following table:

(in millions)	
Natural gas transmission service expansions, including interim services	$ 18.8
Contributions from regulated infrastructure programs	13.8
Rate changes associated with recent rate case activities [1]	12.6
Natural gas growth including conversions (excluding service expansions)	7.4
Changes in customer consumption	2.4
Other variances	(0.2)
Year-over-year increase in adjusted gross margin	$ 54.8

[1] Includes adjusted gross margin contributions from both interim and permanent base rates. Refer to Major Projects discussion for additional information.

The following narrative discussion provides further detail and analysis of the significant variances in adjusted gross margin detailed above.

Natural Gas Transmission Service Expansions, including interim services
We generated increased adjusted gross margin of $18.8 million for the year ended December 31, 2025 from natural gas transmission service expansions of Peninsula Pipeline and Eastern Shore.

Contributions from Regulated Infrastructure Programs
Regulated infrastructure programs generated incremental adjusted gross margin of $13.8 million for the year ended December 31, 2025. The increase in adjusted gross margin was primarily related to FCG's SAFE program, Florida's GUARD

program, FPU Electric's SPP, and Eastern Shore's Capital Cost Surcharge program. Refer to Note 17, *Rates and Other Regulatory Activities*, in the consolidated financial statements for additional information.

Rate Changes Associated with Recent Rate Case Activities
Rate changes associated with the Delaware and Maryland natural gas rate cases and Florida Electric base rate case contributed additional adjusted gross margin of $12.6 million for the year ended December 31, 2025. Refer to Note 17, *Rates and Other Regulatory Activities*, in the consolidated financial statements for additional information.

Natural Gas Distribution Customer Growth
We generated additional adjusted gross margin of $7.4 million from natural gas customer growth. Adjusted gross margin increased by $5.6 million for our Florida natural gas distribution businesses and $1.8 million on the Delmarva Peninsula compared to 2024, due primarily to residential customer growth of 2.8 percent and 4.1 percent in Florida and on the Delmarva Peninsula, respectively.

Increased Customer Consumption
Customer consumption, inclusive of weather-related consumption, increased adjusted gross margin by $2.4 million for the year ended December 31, 2025.

Other Operating Expenses

Items contributing to the year-over-year increase in other operating expenses are listed in the following table:

(in millions)		
Depreciation, amortization and property taxes	$	(22.2)
Facilities expenses, maintenance costs and outside services		(4.7)
Insurance related costs		(1.7)
Credit, collections and customer service costs		(1.3)
Payroll, benefits and other employee-related expenses		(1.2)
FCG transaction and transition-related expenses [1]		2.8
Other variances		(0.7)
Year-over-year increase in other operating expenses	$	(29.0)

[1] Transaction and transition-related expenses represent costs attributable to the acquisition and integration of FCG including, but not limited to, transaction costs, transition services, consulting, system integration, rebranding and legal fees.

2024 compared to 2023

The results for the Regulated Energy segment for the year ended December 31, 2024 compared to 2023 are described in *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2024, which is incorporated herein by reference.

UNREGULATED ENERGY

For the Year Ended December 31,	**2025**	**2024**	**Change**	**2024**	**2023**	**Change**
(in millions)						
Revenue	**$ 271.9**	$ 228.4	$ 43.5	$ 228.4	$ 223.1	$ 5.3
Propane and natural gas costs	**127.3**	100.2	27.1	100.2	102.5	(2.3)
Adjusted gross margin [1]	**144.6**	128.2	16.4	128.2	120.6	7.6
Operations & maintenance	**85.1**	74.8	(10.3)	74.8	74.2	(0.6)
Depreciation, amortization and property taxes	**23.1**	19.1	(4.0)	19.1	19.5	0.4
Other taxes	**2.8**	2.6	(0.2)	2.6	2.5	(0.1)
Other operating expenses	**111.0**	96.5	(14.5)	96.5	96.2	(0.3)
Operating Income	**$ 33.6**	$ 31.7	$ 1.9	$ 31.7	$ 24.4	$ 7.3

(1) Adjusted Gross Margin is a non-GAAP measure utilized by Management to review business unit performance. For a more detailed discussion on the differences between Gross Margin (GAAP) and Adjusted Gross Margin, see the Reconciliation of GAAP to Non-GAAP Measures presented above.

2025 Compared to 2024

Operating income for the Unregulated Energy segment for 2025 increased by $1.9 million or 6.0 percent compared to 2024. Adjusted gross margin in the Unregulated Energy segment increased primarily due to increased levels of virtual pipeline services and increased customer consumption in our propane operations and at Aspire. These increases were partially offset by a change in propane margin and service fees. The increase in operating expenses included higher payroll, benefits and other employee-related expenses, increased facilities, maintenance and outside services costs, and higher depreciation and vehicle expenses compared to the prior year.

Adjusted Gross Margin

Items contributing to the year-over-year increase in adjusted gross margin are listed in the following table:

(in millions)		
Propane Operations		
Increased propane customer consumption	$	4.5
Change in propane margins and service fees		(1.4)
CNG/RNG/LNG Transportation and Infrastructure		
Increased demand for CNG/RNG/LNG services		10.7
Aspire Energy		
Increased customer consumption		2.6
Year-over-year increase in adjusted gross margin	**$**	**16.4**

The following narrative discussion provides further detail and analysis of the significant items in the foregoing table.

Propane Operations

- *Increased propane customer consumption* - Adjusted gross margin was positively impacted by $4.5 million as a result of increased customer consumption driven by colder weather experienced in our Mid-Atlantic and North Carolina service areas during the fourth quarter of 2025.
- *Propane margins and fees* - Adjusted gross margin declined by $1.4 million, mainly due to lower margins and customer service fees. These market conditions, which include market pricing and competition with other propane suppliers, as well as the availability and price of alternative energy sources, may fluctuate based on changes in demand, supply and other energy commodity prices.

CNG/RNG/LNG Transportation and Infrastructure

- *Increased demand of virtual pipeline services* - Adjusted gross margin increased by $10.7 million over 2024 largely due to increased demand for CNG and RNG hold services.

Aspire Energy

- *Increased customer consumption* - Adjusted gross margin increased by $2.6 million due to increased customer consumption related to the effects of colder weather in our Ohio service area and resulting from higher consumption from agricultural customers compared to the prior year.

Other Operating Expenses

Items contributing to the year-over-year increase in other operating expenses are listed in the following table:

(in millions)		
Payroll, benefits and other employee-related expenses	$	(5.5)
Facilities, maintenance costs, and outside services		(4.5)
Depreciation, amortization and property taxes		(4.0)
Other variances		(0.5)
Year-over-year increase in other operating expenses	**$**	**(14.5)**

2024 compared to 2023

The results for the Unregulated Energy segment for the year ended December 31, 2024 compared to 2023 are described in *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2024, which is incorporated by reference.

OTHER INCOME, NET

2025 Compared to 2024

Other income, net, which includes non-operating investment income, interest income, late fees charged to customers, gains or losses from the sale of assets and pension and other benefits expense, amounted to $9.6 million and $2.0 million for 2025 and 2024, respectively. The increase in 2025 was largely attributable to higher gains on asset sales compared to the prior year.

INTEREST CHARGES

2025 Compared to 2024

Interest charges for 2025 increased by $4.1 million compared to the same period in 2024. This increase is primarily attributable to the Senior Notes issued in August and September 2025. Increased interest expense was partially offset by lower average outstanding Revolver borrowings, a lower weighted-average interest rate, and higher capitalized interest of $1.6 million associated with growth capital projects compared to the prior year. The weighted-average interest rate on our Revolver borrowings was 5.17 percent for the year ended December 31, 2025 compared to 5.68 percent during the prior year.

INCOME TAXES

2025 Compared to 2024

Income tax expense was $52.7 million for 2025 compared to $43.2 million for 2024. Our effective income tax rates were 27.3 percent and 26.7 percent for the years ended December 31, 2025 and 2024, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Our capital requirements reflect the capital-intensive and seasonal nature of our business and are principally attributable to investment in new plant and equipment, retirement of outstanding debt and seasonal variability in working capital. We rely on cash generated from operations, short-term borrowings, and other sources to meet normal working capital requirements and to temporarily finance capital expenditures. We may also issue long-term debt and equity to fund capital expenditures and to maintain our capital structure within our target capital structure range. We maintain effective shelf registration statements with the SEC, as applicable, for the issuance of shares of common stock under various types of equity offerings, including the DRIP and under an ATM equity program. Depending on our capital needs and subject to market conditions, in addition to other possible debt and equity offerings, we may consider issuing additional shares under the direct share purchase component of the DRIP and/or under our ATM equity program.

Our energy businesses are weather-sensitive and seasonal. We normally generate a large portion of our annual net income and subsequent increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas, electricity, and propane delivered by our distribution operations, and our natural gas transmission operations to customers during the peak heating season. In addition, our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

Capital expenditures for investments in new or acquired plant and equipment are our largest capital requirements. Our capital expenditures were $470.4 million in 2025.

The following table shows total capital expenditures for the year ended December 31, 2025 by segment and by business line:

(in millions)	For the Year Ended December 31, 2025
Regulated distribution	$ 124.4
Regulated transmission	140.0
Regulated infrastructure	121.2
Unregulated businesses	49.9
Technology	34.9
Total 2025 Capital Expenditures	**$ 470.4**

In the table below, we have provided a range of our forecasted capital expenditures by category for 2026:

	Estimate for Fiscal 2026	
(in millions)	**Low**	**High**
Regulated distribution	$ 110.0	$ 120.0
Regulated transmission	135.0	145.0
Regulated infrastructure	90.0	100.0
Unregulated businesses	25.0	35.0
Technology	90.0	100.0
Total 2026 Forecasted Capital Expenditures	**$ 450.0**	**$ 500.0**

The 2026 forecast excludes potential acquisitions due to their opportunistic nature.

The Company continues to affirm its capital guidance for the five-year period ended 2028 of $1.5 billion to $1.8 billion, and projects capital expenditures of $450.0 million to $500.0 million for 2026.

The capital expenditure projection is subject to continuous review and modification. Actual capital requirements may vary from the above estimates due to a number of factors, including changing economic conditions, supply chain disruptions, capital delays that are greater than currently anticipated, customer growth in existing areas, regulation, new growth or acquisition opportunities and availability of capital and other factors discussed in Item 1A, *Risk Factors*. The timing of capital expenditures can vary based on delays in regulatory approvals, securing environmental approvals and other permits. The regulatory application and approval process has lengthened in the past few years, and we expect this trend to continue.

Capital Structure

We are committed to maintaining a sound capital structure and strong credit ratings. This commitment, along with adequate and timely rate relief for our regulated energy operations, is intended to ensure our ability to attract capital from outside sources at a reasonable cost, which will benefit our customers, creditors, employees and stockholders.

The following tables present our capitalization as of December 31, 2025 and 2024 and includes the impacts associated with financing the FCG acquisition:

(dollars in millions)	**December 31, 2025**		**December 31, 2024**	
Long-term debt, net of current maturities	**$ 1,327.1**	**45 %**	$ 1,261.7	48 %
Stockholders' equity	**1,598.5**	**55 %**	1,390.2	52 %
Total capitalization, excluding short-term borrowings	**$ 2,925.6**	**100 %**	$ 2,651.9	100 %

(dollars in millions)	**December 31, 2025**		**December 31, 2024**	
Short-term debt	**$ 158.0**	**5 %**	$ 196.5	7 %
Long-term debt, including current maturities	**1,461.7**	**45 %**	1,287.2	45 %
Stockholders' equity	**1,598.5**	**50 %**	1,390.2	48 %
Total capitalization, including short-term borrowings	**$ 3,218.2**	**100 %**	$ 2,873.9	100 %

Our target ratio of equity to total capitalization, including short-term borrowings, is between 50 and 60 percent. We seek to align permanent financing with the in-service dates of our capital projects. We may utilize more temporary short-term debt when the financing cost is attractive as a bridge to the permanent long-term financing or if the equity markets are volatile. We may, from time to time, allow our capital structure to fall below the target range to align the completion of large capital projects with the respective permanent financing.

In November 2023, in connection with our acquisition of FCG, we completed an overnight offering resulting in the issuance of 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

In November 2024, we established a new ATM program under which we may sell shares of our common stock up to an aggregate offering price of $100.0 million. This current ATM program is active through November 2027. For the year ended December 31, 2025 and 2024, we received net proceeds of $123.2 million and $72.5 million, respectively, associated with shares issued under the DRIP and our ATM program.

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, however neither of such lenders have any obligation to purchase debt thereunder. We amended these agreements with Prudential and MetLife in February 2026 and June 2025, respectively, to expand the total borrowing capacity and extend the term of the agreements. As of the February 2026 amendment, a total of $343.3 million of borrowing capacity was available under these agreements with terms that extend through February 2029 and June 2030, respectively.

Long-Term Debt

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding, including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

In August 2025, we entered into a Note Purchase Agreement for the issuance of Senior Notes in the aggregate principal amount of $200.0 million with an initial funding of $150.0 million in August 2025 and an additional $50.0 million in September 2025. These Senior Notes have an average interest rate of 5.04 percent consisting of $60.0 million of 4.88 percent notes due in August 2028, $50.0 million of 5.02 percent notes due in September 2030, and $90.0 million of 5.16 percent notes due in August 2031. The proceeds received were used to reduce short-term borrowings under our Revolver and to fund capital expenditures. The outstanding principal balance of the Senior Notes will be due on their respective maturity dates with interest payments payable semiannually beginning in 2026 until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

On November 1, 2024, we issued 5.20 percent Senior Notes due in November 2029 in the aggregate principal amount of $100.0 million. The proceeds received were used to reduce short-term borrowings under our Revolver and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have semi-annual interest payments due on May 1 and November 1 of each year beginning in 2025.

Short-Term Borrowings

We are authorized by our BOD to borrow up to $450.0 million of short-term debt, as required. At December 31, 2025 and 2024, we had $158.0 million and $196.5 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 4.73 percent and 5.06 percent, respectively. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at December 31, 2025.

In August 2024, we amended and restated our revolving credit agreement, which increased the total borrowing capacity under the Revolver to $450.0 million, including $250.0 million available under the 364-day tranche and $200.0 million available under the five-year tranche which expires in August 2029. In August 2025, we exercised an option under the Revolver to extend the 364-day tranche through August 2026. All other terms and conditions of the agreement remain unchanged. We may also request increases under the Revolver of up to $50.0 million under the 364-day tranche and up to $100.0 million under the five-year tranche, with the lenders having sole discretion of whether to approve each requested increase. Borrowings under both tranches of the Revolver continue to be subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. The 364-day tranche continues to bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. The five-year tranche continues to bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.25 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion.

We also utilize interest rate swaps to manage rate risk under our Revolver. For additional information on interest rate swaps, including swaps currently in place related to our short-term borrowings, see Note 8, *Derivative Instruments*.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio of no greater than 65 percent. As of December 31, 2025, we are in compliance with this covenant.

Our total available credit under the Revolver at December 31, 2025 was $287.2 million. As of December 31, 2025, we had issued $4.8 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

In connection with our acquisition of FCG, we entered into a 364-day Bridge Facility commitment with Barclays Bank PLC and other lending parties for up to $965.0 million. Upon closing of the FCG acquisition in November 2023, and with the completion of other financing activities as defined in the lending agreement, this facility was terminated with no funds drawn to finance the transaction. For additional information regarding the acquisition and related financing, see Note 4, *Acquisitions,* Note 12, *Long-Term Debt* and Note 14, *Stockholders Equity*.

Key statistics regarding our unsecured short-term credit facilities (our Revolver and previous bilateral lines of credit and revolving credit facility) for the years ended December 31, 2025, 2024 and 2023 are as follows:

(dollars in millions)	2025	2024	2023
Average borrowings during the year	**$ 174.1**	$ 185.7	$ 130.2
Weighted average interest rate for the year	**5.02 %**	5.67 %	5.41 %
Maximum month-end borrowings	**$ 256.5**	$ 249.7	$ 206.5

Cash Flows

The following table provides a summary of our operating, investing and financing cash flows for the years ended December 31, 2025, 2024 and 2023:

	For the Year Ended December 31,		
	2025	2024	2023
(in millions)			
Net cash provided by (used in):			
Operating activities	**$ 233.7**	$ 239.4	$ 203.5
Investing activities	**(435.7)**	(349.9)	(1,111.4)
Financing activities	**195.9**	113.5	906.6
Net increase (decrease) in cash and cash equivalents	**(6.1)**	3.0	(1.3)
Cash and cash equivalents—beginning of period	**7.9**	4.9	6.2
Cash and cash equivalents—end of period	**$ 1.8**	$ 7.9	$ 4.9

Cash Flows Provided by Operating Activities

Changes in our cash flows from operating activities are attributable primarily to changes in net income, adjusted for non-cash items, such as depreciation and amortization, changes in deferred income taxes, share based compensation expense and changes in working capital. Working capital requirements are determined by a variety of factors, including weather, the prices of natural gas, electricity and propane, the timing of customer collections, payments for purchases of natural gas, electricity and propane, and deferred fuel cost recoveries.

We normally generate a large portion of our annual net income and related increases in our accounts receivable in the first and fourth quarters of each year due to significant volumes of natural gas and propane delivered to customers during the peak heating season by our natural gas and propane operations and our natural gas supply, gathering and processing operation. In addition, our natural gas and propane inventories, which usually peak in the fall months, are largely drawn down in the heating season and provide a source of cash as the inventory is used to satisfy winter sales demand.

During 2025, net cash provided by operating activities was $233.7 million. Operating cash flows were primarily impacted by the following:

- Net income, adjusted for non-cash adjustments, provided a $244.4 million source of cash;

- An increased level of deferred taxes and investment tax credits which includes incremental tax depreciation from growth investments resulted in a source of cash of $28.8 million; partially offset by
- Net changes in assets and liabilities resulted in a use of cash of $39.5 million mainly due to an increase in net receivables, accrued revenue and regulatory assets.

Cash Flows Used in Investing Activities

Net cash used in investing activities totaled $435.7 million during the year ended December 31, 2025, largely driven by $448.6 million for new capital expenditures partially offset by $12.9 million of proceeds from asset sales.

Cash Flows Provided by Financing Activities

Net cash provided by financing activities totaled $195.9 million for the year ended December 31, 2025. This source of cash was largely related to:

- A net increase in long-term debt borrowings resulting in a net source of cash of $173.6 million, including $199.1 million from issuances partially offset by long-term repayments of $25.5 million;
- Net proceeds of $123.0 million from the issuance of common stock under the DRIP and ATM program; partially offset by the following:
- Net repayments under the Revolver of $39.4 million, and
- A $60.7 million use of cash for dividend payments in 2025.

CONTRACTUAL OBLIGATIONS

We have the following contractual obligations and other commercial commitments as of December 31, 2025:

	Payments Due by Period				
Contractual Obligations	**2026**	**2027-2028**	**2029-2030**	**After 2030**	**Total**
(in millions)					
Long-term debt [1]	$ 134.6	$ 328.4	$ 369.0	$ 633.3	$ 1,465.3
Operating leases [2]	2.4	3.6	2.6	2.9	11.5
Purchase obligations [3]					
Transmission capacity	45.6	78.0	49.8	87.9	261.3
Storage capacity	4.3	7.9	3.7	3.1	19.0
Commodities	33.2	—	—	—	33.2
Electric supply	6.9	13.7	12.3	10.9	43.8
Unfunded benefits [4]	0.2	0.4	0.4	0.8	1.8
Funded benefits [5]	3.4	4.9	2.3	6.6	17.2
Total Contractual Obligations	**$ 230.6**	**$ 436.9**	**$ 440.1**	**$ 745.5**	**$ 1,853.1**

[1] This represents principal payments on long-term debt. See *Item 8, Financial Statements and Supplementary Data,* Note 12*, Long-Term Debt*, for additional information. The expected interest payments on long-term debt are $73.0 million, $123.4 million, $86.6 million and $98.2 million, respectively, for the periods indicated above. Expected interest payments for all periods total $381.2 million.

[2] See *Item 8, Financial Statements and Supplementary Data,* Note 2*, Summary of Significant Accounting Policies*, for additional information.

[3] See *Item 8, Financial Statements and Supplementary Data,* Note 19*, Other Commitments and Contingencies*, for additional information.

[4] These amounts associated with our unfunded post-employment and post-retirement benefit plans are based on expected payments to current retirees and assume a retirement age of 62 for currently active employees. There are many factors that would cause actual payments to differ from these amounts, including early retirement, future health care costs that differ from past experience and discount rates implicit in calculations. See *Item 8, Financial Statements and Supplementary Data,* Note 15*, Employee Benefit Plans*, for additional information on the plans.

[5] The FPU Pension Plan was in a over funded position at December 31, 2025. The assets funding this plan are in a separate trust and are not considered assets of ours or included in our balance sheets. We do not expect to make payments to the trust funds in 2025. See *Item 8, Financial Statements and Supplementary Data,* Note 15*, Employee Benefit Plans*, for further information on the plans. Additionally, the Contractual Obligations table above includes deferred compensation obligations totaling $17.2 million, funded with Rabbi Trust assets in the same amount. The Rabbi Trust assets are recorded under Investments on the consolidated balance sheets. We assume a retirement age of 65 for purposes of distribution from this trust.

OFF-BALANCE SHEET ARRANGEMENTS

Our BOD has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of December 31, 2025 was $62.0 million. The aggregate amount guaranteed related to our subsidiaries at December 31, 2025 was approximately $41.1 million with the guarantees expiring on various dates through March 2026. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at December 31, 2025 was $4.0 million.

As of December 31, 2025, we have issued letters of credit totaling approximately $4.8 million related to various transportation, transmission, capacity and storage agreements as well as our primary insurance carriers. These letters of credit have various expiration dates through October 2026. There have been no draws on these letters of credit as of December 31, 2025. We do not anticipate that the counterparties will draw upon these letters of credit, and we expect that they will be renewed to the extent necessary in the future. Additional information is presented in *Item 8, Financial Statements and Supplementary Data,* Note 19*, Other Commitments and Contingencies* in the consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES

We prepare our financial statements in accordance with GAAP. Application of these accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingencies during the reporting period. We base our estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Since a significant portion of our businesses are regulated and the accounting methods used by these businesses must comply with the requirements of the regulatory bodies, the choices available are limited by these regulatory requirements. In the normal course of business, estimated amounts are subsequently adjusted to actual results that may differ from the estimates.

Regulatory Assets and Liabilities

As a result of the ratemaking process, we record certain assets and liabilities in accordance with ASC Topic 980, *Regulated Operations*, and consequently, the accounting principles applied by our regulated energy businesses differ in certain respects from those applied by the unregulated businesses. Amounts are deferred as regulatory assets and liabilities when there is a probable expectation that they will be recovered in future revenues or refunded to customers as a result of the regulatory process. This is more fully described in *Item 8, Financial Statements and Supplementary Data,* Note 2*, Summary of Significant Accounting Policies,* in the consolidated financial statements. If we were required to terminate the application of ASC Topic 980, we would be required to recognize all such deferred amounts as a charge or a credit to earnings, net of applicable income taxes. Such an adjustment could have a material effect on our results of operations.

Financial Instruments

We utilize financial instruments to mitigate commodity price risk associated with fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. We continually monitor the use of these instruments to ensure compliance with our risk management policies and account for them in accordance with GAAP, such that every derivative instrument is recorded as either an asset or a liability measured at its fair value. It also requires that changes in the derivatives' fair value are recognized in the current period earnings unless specific hedge accounting criteria are met. If these instruments do not meet the definition of derivatives or are considered “normal purchases and normal sales,” they are accounted for on an accrual basis of accounting.

Additionally, GAAP also requires us to classify the derivative assets and liabilities based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the fair value of the assets and liabilities and their placement within the fair value hierarchy.

We determined that certain propane put options, call options, swap agreements and interest rate swap agreements met the specific hedge accounting criteria. We also determined that most of our contracts for the purchase or sale of natural gas, electricity and propane either: (i) did not meet the definition of derivatives because they did not have a minimum purchase/sell requirement, or (ii) were considered “normal purchases and normal sales” because the contracts provided for the purchase or sale of natural gas, electricity or propane to be delivered in quantities that we expect to use or sell over a reasonable period of time in the normal course of business. Accordingly, these contracts were accounted for on an accrual basis of accounting.

Additional information about our derivative instruments is disclosed in *Item 8, Financial Statements and Supplementary Data,* Note 8, *Derivative Instruments,* in the consolidated financial statements.

Goodwill and Other Intangible Assets

We test goodwill for impairment at least annually in December, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We generally use a present value technique based on discounted cash flows to estimate the fair value of our reporting units. An impairment charge is recognized if the carrying value of a reporting unit’s goodwill exceeds its fair value. The annual impairment testing for 2025, 2024 and 2023 indicated that goodwill was not impaired. At December 31, 2025, our goodwill balance totaled $507.5 million including $460.9 million attributable to the acquisition of FCG. Additional information is presented in *Item 8, Financial Statements and Supplementary Data,* Note 4, *Acquisitions,* and Note 10*, Goodwill and Other Intangible Assets,* in the consolidated financial statements.

Other Assets Impairment Evaluations

We periodically evaluate whether events or circumstances have occurred which indicate that long-lived assets may not be recoverable. When events or circumstances indicate that an impairment is present, we record an impairment loss equal to the excess of the asset's carrying value over its fair value, if any.

Pension and Other Postretirement Benefits

Pension and other postretirement plan costs and liabilities are determined on an actuarial basis and are affected by numerous assumptions and estimates including the market value of plan assets, estimates of the expected returns on plan assets, assumed discount rates, the level of contributions made to the plans, and current demographic and actuarial mortality data. The assumed discount rates and the expected returns on plan assets are the assumptions that generally have the most significant impact on the pension costs and liabilities. The assumed discount rates, the assumed health care cost trend rates and the assumed rates of retirement generally have the most significant impact on our postretirement plan costs and liabilities. Additional information is presented in *Item 8, Financial Statements and Supplementary Data,* Note 15*, Employee Benefit Plans,* in the consolidated financial statements, including plan asset investment allocation, estimated future benefit payments, general descriptions of the plans, significant assumptions, the impact of certain changes in certain assumptions, and significant changes in estimates.

At December 31, 2025, actuarial assumptions include expected long-term rates of return on plan assets for FPU's pension plan of 5.50 percent and a discount rate of 5.25 percent. The discount rate was determined by management considering high-quality corporate bond rates, such as the Empower curve index and the FTSE Index, changes in those rates from the prior year and

other pertinent factors, including the expected lives of the plans and the availability of the lump-sum payment option. A 25 basis point increase or decrease in the discount rate would not have a material impact on our pension and postretirement liabilities and related costs.

Actual changes in the fair value of plan assets and the differences between the actual return on plan assets and the expected return on plan assets could have a material effect on the amount of pension benefit costs that we ultimately recognize for our funded pension plan. A 25 basis point change in the rate of return would not have a material impact on the funded status of our FPU pension plan and related costs.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

INTEREST RATE RISK

The fluctuation in interest rates exposes us to potential increased cost we could incur when we issue debt instruments or to provide financing and liquidity for our business activities. We evaluate whether to refinance existing debt or permanently refinance existing short-term borrowings based in part on the fluctuation in interest rates. We utilize interest rate swap agreements to mitigate short-term borrowing rate risk. Additional information about our long-term debt and short-term borrowing is disclosed in Note 12, *Long-Term Debt,* and Note 13, *Short-Term Borrowings*, respectively, in the consolidated financial statements.

COMMODITY PRICE RISK

Regulated Energy Segment

We have entered into agreements with various wholesale suppliers to purchase natural gas and electricity for resale to our customers. Our regulated energy distribution businesses that sell natural gas or electricity to end-use customers have fuel cost recovery mechanisms authorized by the PSCs that allow us to recover all of the costs prudently incurred in purchasing natural gas and electricity for our customers. Therefore, our regulated energy distribution operations have limited commodity price risk exposure.

Unregulated Energy Segment

Our propane operations are exposed to commodity price risk as a result of the competitive nature of retail pricing offered to our customers. In order to mitigate this risk, we utilize propane storage activities and forward contracts for supply and sales activities.

We can store up to approximately 8.4 million gallons of propane (including leased storage and rail cars) during the winter season to meet our customers' peak requirements and to serve metered customers. Decreases in the wholesale price of propane may cause the value of stored propane to decline, particularly if we utilize fixed price forward contracts for supply. To mitigate the risk of propane commodity price fluctuations on the inventory valuation, we have a Risk Management Policy that allows our propane distribution operation to enter into fair value hedges, cash flow hedges or other economic hedges of our inventory.

Aspire Energy is exposed to commodity price risk, primarily during the winter season, to the extent we are not successful in balancing our natural gas purchases and sales and have to secure natural gas from alternative sources at higher spot prices. In order to mitigate this risk, we procure firm capacity that meets our estimated volume requirements and we continue to seek out new producers in order to fulfill our natural gas purchase requirements.

The following table reflects the changes in the fair market value of financial derivatives contracts related to propane purchases and sales from December 31, 2024 to December 31, 2025:

(in millions)	**Balance at December 31, 2024**	**Increase in Fair Market Value**	**Less Amounts Settled**	**Balance at December 31, 2025**
Sharp	$ 0.6	$ (0.8)	$ (0.5)	**$ (0.7)**

There were no changes in the methods of valuations during the year ended December 31, 2025.

The following is a summary of fair market value of financial derivatives as of December 31, 2025, by method of valuation and by maturity for each fiscal year period.

(in millions)	2026	2027	2028	Total Fair Value
Price based on Mont Belvieu - Sharp	$ (0.6)	$ (0.1)	$ —	$ (0.7)

WHOLESALE CREDIT RISK

The Risk Management Committee reviews credit risks associated with counterparties to commodity derivative contracts prior to such contracts being approved.

Additional information about our derivative instruments is disclosed in *Item 8, Financial Statements and Supplementary Data,* Note 8, *Derivative Instruments,* in the consolidated financial statements.

INFLATION

Inflation affects the cost of supply, labor, products and services required for operations, maintenance and capital improvements. To help cope with the effects of inflation on our capital investments and returns, we periodically seek rate increases from regulatory commissions for our regulated operations and closely monitor the returns of our unregulated energy business operations. To compensate for fluctuations in propane gas prices, we adjust propane sales prices to the extent allowed by the market.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of
Chesapeake Utilities Corporation

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Chesapeake Utilities Corporation and Subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and financial statement schedules listed in Item 15(a)2 (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2025 and 2024, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the

company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ Baker Tilly US, LLP

We have served as the Company's auditor since 2007.

Philadelphia, Pennsylvania
February 25, 2026

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Income

	For the Year Ended December 31,		
	2025	**2024**	**2023**
(dollars in millions, shares in thousands (except per share data))			
Operating Revenues			
Regulated Energy	**$ 687.8**	$ 583.4	$ 473.6
Unregulated Energy	**271.9**	228.4	223.1
Other businesses and eliminations	**(29.7)**	(24.6)	(26.1)
Total operating revenues	**930.0**	787.2	670.6
Operating Expenses			
Natural gas and electricity costs	**193.8**	144.2	140.0
Propane and natural gas costs	**97.7**	75.6	76.5
Operations	**229.3**	210.1	178.4
FCG transaction and transition-related expenses	**1.2**	4.0	10.4
Maintenance	**23.9**	22.5	20.4
Depreciation and amortization	**91.7**	65.7	65.5
Other taxes	**36.5**	36.9	28.6
Total operating expenses	**674.1**	559.0	519.8
Operating Income	**255.9**	228.2	150.8
Other income, net	**9.6**	2.0	1.4
Interest charges	**72.5**	68.4	36.9
Income Before Income Taxes	**193.0**	161.8	115.3
Income taxes	**52.7**	43.2	28.1
Net Income	**$ 140.3**	$ 118.6	$ 87.2
Weighted Average Common Shares Outstanding:			
Basic	**23,389**	22,469	18,371
Diluted	**23,488**	22,531	18,435
Earnings Per Share of Common Stock:			
Basic	**$ 6.00**	$ 5.28	$ 4.75
Diluted	**$ 5.97**	$ 5.26	$ 4.73

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Comprehensive Income

(in millions)	For the Year Ended December 31, 2025	2024	2023
Net Income	**$ 140.3**	$ 118.6	$ 87.2
Other Comprehensive Income (Loss), net of tax:			
Employee Benefits net gain (loss), net of tax of $0.1, $0.1, and $0.0, respectively	**0.4**	0.5	(0.1)
Cash Flow Hedges, net of tax:			
Net (loss) gain on commodity contract cash flow hedges, net of tax of $(0.2), $0.6, and $(0.5), respectively	**(0.5)**	1.4	(1.4)
Reclassifications of net gain on commodity contract cash flow hedges, net of tax of $(0.1), $(0.3), and $0.0, respectively	**(0.4)**	(0.7)	—
Net (loss) gain on interest rate swap cash flow hedges, net of tax of $(0.1), $0.2, and $0.2, respectively	**(0.3)**	0.5	0.5
Reclassifications of net gain on interest rate swap cash flow hedges, net of tax of $(0.1), $(0.2), and $(0.1), respectively	**(0.2)**	(0.6)	(0.4)
Total Other Comprehensive Income (Loss)	**(1.0)**	1.1	(1.4)
Comprehensive Income	**$ 139.3**	$ 119.7	$ 85.8

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Balance Sheets

	As of December 31,	
Assets	**2025**	**2024**
(in millions, except shares and per share data)		
Property, Plant and Equipment		
Regulated Energy	**$ 2,941.6**	$ 2,661.8
Unregulated Energy	**492.4**	463.7
Other businesses	**38.3**	29.9
Total property, plant and equipment	**3,472.3**	3,155.4
Less: Accumulated depreciation and amortization	**(637.6)**	(567.6)
Plus: Construction work in progress	**283.7**	148.1
Net property, plant and equipment	**3,118.4**	2,735.9
Current Assets		
Cash and cash equivalents	**1.8**	7.9
Trade and other receivables	**106.9**	80.0
Less: Allowance for credit losses	**(5.4)**	(3.3)
Trade and other receivables, net	**101.5**	76.7
Accrued revenue	**50.1**	37.8
Propane inventory, at average cost	**8.8**	8.9
Other inventory, at average cost	**17.9**	18.0
Regulatory assets	**29.7**	23.9
Storage gas prepayments	**4.5**	3.8
Income taxes receivable	**—**	6.8
Prepaid expenses	**19.7**	17.3
Derivative assets, at fair value	**—**	0.6
Other current assets	**3.0**	2.6
Total current assets	**237.0**	204.3
Deferred Charges and Other Assets		
Goodwill	**507.5**	507.7
Other intangible assets, net	**13.2**	15.0
Investments, at fair value	**17.2**	14.4
Derivative assets, at fair value	**—**	0.1
Operating lease right-of-use assets	**9.9**	10.5
Regulatory assets	**74.3**	77.4
Receivables and other deferred charges	**17.3**	11.7
Total deferred charges and other assets	**639.4**	636.8
Total Assets	**$ 3,994.8**	$ 3,577.0

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Balance Sheets

	As of December 31,	
Capitalization and Liabilities	**2025**	**2024**
(in millions, except shares and per share data)		
Capitalization		
Stockholders' equity		
Preferred stock, par value $0.01 per share (authorized 2,000,000 shares), no shares issued and outstanding	**$ —**	$ —
Common stock, par value $0.4867 per share (authorized 75,000,000 shares)	**11.6**	11.1
Additional paid-in capital	**962.8**	830.5
Retained earnings	**626.8**	550.3
Accumulated other comprehensive loss	**(2.7)**	(1.7)
Deferred compensation obligation	**12.6**	9.8
Treasury stock	**(12.6)**	(9.8)
Total stockholders' equity	**1,598.5**	1,390.2
Long-term debt, net of current maturities	**1,327.1**	1,261.7
Total capitalization	**2,925.6**	2,651.9
Current Liabilities		
Current portion of long-term debt	**134.6**	25.5
Short-term borrowing	**158.0**	196.5
Accounts payable	**115.2**	78.3
Customer deposits and refunds	**45.1**	45.7
Accrued interest	**8.7**	4.8
Dividends payable	**16.4**	14.7
Accrued compensation	**21.6**	23.9
Regulatory liabilities	**14.5**	16.1
Derivative liabilities, at fair value	**0.8**	—
Other accrued liabilities	**15.0**	13.9
Total current liabilities	**529.9**	419.4
Deferred Credits and Other Liabilities		
Deferred income taxes	**313.3**	296.1
Regulatory liabilities	**188.1**	184.0
Environmental liabilities	**2.9**	2.2
Other pension and benefit costs	**14.0**	13.2
Derivative liabilities, at fair value	**0.6**	0.1
Operating lease - liabilities	**7.9**	8.7
Deferred investment tax credits and other liabilities	**12.5**	1.4
Total deferred credits and other liabilities	**539.3**	505.7
Environmental and other commitments and contingencies (Notes 18 and 19)		
Total Capitalization and Liabilities	**$ 3,994.8**	$ 3,577.0

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Cash Flows

	For the Year Ended December 31,		
	2025	**2024**	**2023**
(in millions)			
Operating Activities			
Net Income	**$ 140.3**	$ 118.6	$ 87.2
Adjustments to reconcile net income to net operating cash:			
Depreciation and amortization	**91.7**	65.7	65.5
Depreciation and accretion included in operations expenses	**15.9**	15.8	11.9
Deferred income taxes and investment tax credits	**28.8**	36.4	3.4
Realized gains on sale of assets/commodity contracts	**(10.6)**	(4.4)	(0.8)
Unrealized gains on investments/commodity contracts	**(2.1)**	(1.8)	(1.9)
Employee benefits and compensation	**—**	—	0.3
Share-based compensation	**8.5**	8.4	7.6
Other, net	**0.7**	(0.2)	0.2
Changes in assets and liabilities:			
Accounts receivable and accrued revenue	**(37.1)**	(10.3)	2.3
Propane inventory, storage gas and other inventory	**(0.6)**	3.3	0.3
Regulatory assets/liabilities, net	**(18.4)**	0.2	20.1
Prepaid expenses and other current assets	**(1.4)**	0.4	18.7
Accounts payable and other accrued liabilities	**13.3**	0.4	(16.8)
Income taxes receivable/payable	**7.9**	(2.9)	(1.3)
Customer deposits and refunds	**(0.6)**	(0.7)	3.9
Accrued compensation	**(2.9)**	7.0	1.5
Accrued interest	**3.9**	(2.2)	3.7
Other assets and liabilities, net	**(3.6)**	5.7	(2.3)
Net cash provided by operating activities	**233.7**	239.4	203.5
Investing Activities			
Property, plant and equipment expenditures	**(448.6)**	(355.3)	(188.6)
Proceeds from sale of assets	**12.9**	5.2	2.9
Acquisitions, net of cash acquired	**—**	0.6	(925.0)
Environmental expenditures	**—**	(0.4)	(0.7)
Net cash used in investing activities	**(435.7)**	(349.9)	(1,111.4)
Financing Activities			
Common stock dividends	**(60.7)**	(54.2)	(40.0)
Proceeds from issuance of common stock, net of expenses	**123.0**	72.6	366.4
Tax withholding payments related to net settled stock compensation	**(1.0)**	(1.5)	(2.5)
Change in cash overdrafts due to outstanding checks	**0.4**	1.5	(0.3)
Net borrowings (repayments) under line of credit agreements	**(39.4)**	14.1	(22.5)
Proceeds from issuance of long-term debt	**199.1**	99.5	627.0
Repayment of long-term debt and finance lease obligation	**(25.5)**	(18.5)	(21.5)
Net cash provided by financing activities	**195.9**	113.5	906.6
Net (Decrease) Increase in Cash and Cash Equivalents	**(6.1)**	3.0	(1.3)
Cash and Cash Equivalents — Beginning of Period	**7.9**	4.9	6.2
Cash and Cash Equivalents — End of Period	**$ 1.8**	$ 7.9	$ 4.9

See Note 7 for Supplemental Cash Flow Disclosures.

The accompanying notes are an integral part of the financial statements.

Chesapeake Utilities Corporation and Subsidiaries

Consolidated Statements of Stockholders' Equity

(dollars in millions, shares in thousands (except per share data))	Common Stock [1] Number of Shares [2]	Common Stock [1] Par Value	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Deferred Compensation	Treasury Stock	Total
Balance at December 31, 2022	**17,741**	**$ 8.6**	**$ 380.0**	**$ 445.5**	**$ (1.4)**	**$ 7.1**	**$ (7.1)**	**$ 832.7**
Net Income	—	—	—	87.2	—	—	—	**87.2**
Issuance of common stock in connection with acquisition of FCG	4,439	2.2	364.3	—	—	—	—	**366.5**
Other comprehensive income (loss)	—	—	—	—	(1.4)	—	—	**(1.4)**
Dividends declared ($2.305 per share)	—	—	—	(44.0)	—	—	—	**(44.0)**
Share-based compensation and tax benefit [3] [4]	55	—	5.1	—	—	—	—	**5.1**
Treasury stock activities [2]	—	—	—	—	—	2.0	(2.0)	**—**
Balance at December 31, 2023	**22,235**	**10.8**	**749.4**	**488.7**	**(2.8)**	**9.1**	**(9.1)**	**1,246.1**
Net Income	—	—	—	118.6	—	—	—	**118.6**
Other comprehensive income (loss)	—	—	—	—	1.1	—	—	**1.1**
Dividends declared ($2.510 per share)	—	—	—	(57.0)	—	—	—	**(57.0)**
Issuance under various plans [5]	627	0.3	74.2	—	—	—	—	**74.5**
Share-based compensation and tax benefit [3] [4]	37	—	6.9	—	—	—	—	**6.9**
Treasury stock activities [2]	—	—	—	—	—	0.7	(0.7)	—
Balances at December 31, 2024	**22,899**	**11.1**	**830.5**	**550.3**	**(1.7)**	**9.8**	**(9.8)**	**1,390.2**
Net Income	—	—	—	140.3	—	—	—	**140.3**
Other comprehensive income (loss)	—	—	—	—	(1.0)	—	—	**(1.0)**
Dividends declared ($2.695 per share)	—	—	—	(63.8)	—	—	—	**(63.8)**
Issuance under various plans [5]	961	0.5	123.0	—	—	—	—	**123.5**
Share-based compensation and tax benefit [3] [4]	36	—	9.3	—	—	—	—	**9.3**
Treasury stock activities [2]	—	—	—	—	—	2.8	(2.8)	**—**
Balances at December 31, 2025	**23,896**	**$ 11.6**	**$ 962.8**	**$ 626.8**	**$ (2.7)**	**$ 12.6**	**$ (12.6)**	**$ 1,598.5**

[1] 2.0 million shares of preferred stock at $0.01 par value per share have been authorized. No preferred shares have been issued or are outstanding; accordingly, no information has been included in the Consolidated Statements of Stockholders' Equity.

[2] Includes 129 thousand, 114 thousand and 108 thousand shares at December 31, 2025, 2024 and 2023, respectively, held in a Rabbi Trust related to our Non-Qualified Deferred Compensation Plan.

[3] Includes amounts for shares issued for directors' compensation.

[4] The shares issued under the SICP are net of shares withheld for employee taxes. For 2025, 2024 and 2023, we withheld 8 thousand, 14 thousand and 20 thousand shares, respectively, for taxes.

[5] Includes shares issued under the Retirement Savings Plan, DRIP and/or ATM, as applicable.

The accompanying notes are an integral part of the financial statements.

1. Organization and Basis of Presentation

Chesapeake Utilities, incorporated in 1947 in Delaware, is a diversified energy company engaged in regulated and unregulated energy businesses.

Our regulated energy businesses consist of: (a) regulated natural gas distribution operations in central and southern Delaware, Maryland's eastern shore and Florida; (b) regulated natural gas transmission operations on the Delmarva Peninsula, in Pennsylvania, Florida and in Ohio; and (c) regulated electric distribution operations serving customers in northeast and northwest Florida.

Our unregulated energy businesses primarily include: (a) propane operations in the Mid-Atlantic region, Virginia, North Carolina, South Carolina and Florida; (b) our unregulated natural gas transmission/supply operation in central and eastern Ohio; (c) our CHP plant in Florida that generates electricity and steam; (d) our subsidiary, based in Florida, that provides CNG, LNG and RNG transportation and pipeline solutions, primarily to utilities and pipelines throughout the United States; and (e) sustainable energy investments including renewable natural gas related investments.

Our consolidated financial statements include the accounts of Chesapeake Utilities and its wholly-owned subsidiaries. We do not have any ownership interest in investments accounted for using the equity method or any interest in a variable interest entity. All intercompany accounts and transactions have been eliminated in consolidation. We have assessed and, if applicable, reported on subsequent events through the date of issuance of these consolidated financial statements. Where necessary to improve comparability, prior period amounts have been reclassified to conform to current period presentation.

2. Summary of Significant Accounting Policies

Use of Estimates

Preparing the consolidated financial statements to conform with GAAP requires management to make estimates in measuring assets and liabilities and related revenues and expenses. These estimates involve judgments about various future economic factors that are difficult to predict and are beyond our control; therefore, actual results could differ from these estimates. As additional information becomes available, or actual amounts are determined, recorded estimates are revised. Consequently, operating results can be affected by revisions to prior accounting estimates.

Property, Plant and Equipment

Property, plant and equipment are stated at original cost less accumulated depreciation or fair value, if impaired. Costs include direct labor, materials and third-party construction contractor costs, allowance for funds used during construction ("AFUDC"), and certain indirect costs related to equipment and employees engaged in construction. The costs of repairs and minor replacements are charged to expense as incurred, and the costs of major renewals and improvements are capitalized. Upon retirement or disposition of property within the regulated businesses, the gain or loss, net of salvage value, is charged to accumulated depreciation. Upon retirement or disposition of property within the unregulated businesses, the gain or loss, net of salvage value, is charged to income. A summary of property, plant and equipment by classification as of December 31, 2025 and 2024 is provided in the following table:

(in millions)	As of December 31, 2025	2024
Property, plant and equipment		
Regulated Energy		
Natural gas distribution - Delmarva Peninsula and Florida	**$ 1,828.2**	$ 1,679.3
Natural gas transmission - Delmarva Peninsula, Pennsylvania, Ohio and Florida	**927.9**	819.5
Electric distribution	**185.4**	163.0
Unregulated Energy		
Propane operations – Mid-Atlantic, Virginia, North Carolina, South Carolina and Florida	**208.1**	201.6
Natural gas transmission and supply – Ohio	**147.6**	139.2
Electricity and steam generation	**37.4**	37.4
Mobile CNG and pipeline solutions	**64.8**	52.8
Sustainable energy investments, including renewable natural gas related investments	**34.6**	32.7
Other	**38.3**	29.9
Total property, plant and equipment	**3,472.3**	3,155.4
Less: Accumulated depreciation and amortization	**(637.6)**	(567.6)
Plus: Construction work in progress	**283.7**	148.1
Net property, plant and equipment	**$ 3,118.4**	$ 2,735.9

Contributions or Advances in Aid of Construction

Customer contributions or advances in aid of construction reduce property, plant and equipment, unless the amounts are refundable to customers. Contributions or advances may be refundable to customers after a number of years based on the amount of revenues generated from the customers or the duration of the service provided to the customers. Refundable contributions or advances are recorded initially as liabilities. Non-refundable contributions reduce property, plant and equipment at the time of such determination. As of December 31, 2025 and 2024, the non-refundable contributions totaled $7.8 million and $5.9 million, respectively.

AFUDC

Some of the additions to our regulated property, plant and equipment include AFUDC, which represents the estimated cost of funds, from both debt and equity sources, used to finance the construction of major projects. AFUDC is capitalized in the applicable rate base for rate-making purposes when the completed projects are placed in service. For the years ended December 31, 2025, 2024 and 2023, AFUDC was not material.

Leases

We have entered into lease arrangements for office space, land, equipment, pipeline facilities and warehouses. These leases enable us to conduct our business operations in the regions in which we operate. Our operating leases are included in operating lease right-of-use assets, other accrued liabilities, and operating lease - liabilities in our consolidated balance sheets. At December 31, 2025 and 2024, the asset balances related to our leases amounted to approximately $10 million. The liability balances related to our leases amounted to approximately $10 million and $11 million, respectively, at December 31, 2025 and 2024. Total operating lease expenses and total cash paid in connection with our leases were not material for the years ended December 31, 2025 and 2024.

Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on our balance sheet; we recognize lease expense for these leases on a straight-line basis over the lease term. Our leases do not provide an implicit lease rate, therefore, we utilize our incremental borrowing rate, as the basis to calculate the present value of future lease payments, at lease commencement. Our incremental borrowing rate represents the rate that we would have to pay to borrow funds on a collateralized basis over a similar term and in a similar economic environment.

We have lease agreements with lease and non-lease components. At the adoption of ASC 842, we elected not to separate non-lease components from all classes of our existing leases. The non-lease components have been accounted for as part of the single lease component to which they are related.

Jointly-owned Pipelines

Property, plant and equipment for our Florida natural gas transmission operation included $28.4 million of jointly owned assets at December 31, 2025, primarily comprised of the 26-mile Callahan intrastate transmission pipeline in Nassau County, Florida jointly-owned with Seacoast Gas Transmission. Peninsula Pipeline's ownership is 50 percent. Direct expenses for the jointly-owned pipeline are included in operating expenses within our consolidated statements of income. Accumulated depreciation for this pipeline totaled $3.5 million and $2.8 million at December 31, 2025 and 2024, respectively.

Impairment of Long-lived Assets

We periodically evaluate whether events or circumstances have occurred, which indicate that long-lived assets may not be fully recoverable. The determination of whether an impairment has occurred is based on an estimate of undiscounted future cash flows attributable to the asset, compared to the carrying value of the asset. When such events or circumstances are present, we record an impairment loss equal to the excess of the asset's carrying value over its fair value, if any.

Depreciation and Accretion Included in Operations Expenses

We compute depreciation expense for our regulated operations by applying composite, annual rates, as approved by the respective regulatory bodies. Certain components of depreciation and accretion are reported in operations expenses, rather than as depreciation and amortization expense, in the accompanying consolidated statements of income in accordance with industry practice and regulatory requirements. Depreciation and accretion included in operations expenses consists of the accretion of the costs of removal for future retirements of utility assets, vehicle depreciation, computer software and hardware depreciation, and other minor amounts of depreciation expense. For the years ended December 31, 2025, 2024 and 2023, we reported $15.9 million, $15.8 million and $11.9 million, respectively, of depreciation and accretion in operations expenses.

The following table shows the average depreciation rates used for regulated operations during the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
Natural gas distribution – Delmarva Peninsula [1]	**1.7%**	2.1%	2.5%
Natural gas distribution – Florida [2] [3]	**2.7%**	2.7%	2.2%
Natural gas transmission – Delmarva Peninsula	**2.7%**	2.7%	2.7%
Natural gas transmission – Florida	**2.3%**	2.4%	2.4%
Natural gas transmission – Ohio [4]	**2.5%**	2.3%	5.0%
Electric distribution	**2.9%**	2.4%	2.4%

[1] Average beginning in 2024 includes the impact of the depreciation study that was approved by the Maryland PSC.
[2] Includes the impact of FCG beginning in 2024.
[3] Average beginning in 2023 includes the impact of the depreciation study that was approved by the Florida PSC in connection with the natural gas base rate proceeding.
[4] 2024 rate excludes the impact of cumulative adjustments related to a change in useful lives of certain assets. Such adjustments were not material to the Company's results of operations for the year ended December 31, 2024.

For our unregulated operations, we compute depreciation expense on a straight-line basis over the following estimated useful lives of the assets:

Asset Description	Useful Life
Propane distribution mains	10-37 years
Propane bulk plants and tanks	10-40 years
Propane equipment, meters and meter installations	5-33 years
Measuring and regulating station equipment	5-37 years
Natural gas pipelines	45 years
Natural gas right of ways	Perpetual
CHP plant	30 years
Natural gas processing equipment	20-25 years
Office furniture and equipment	3-10 years
Transportation equipment	4-20 years
Structures and improvements	5-45 years
Other	Various

Regulated Operations

We account for our regulated operations in accordance with ASC Topic 980, *Regulated Operations,* which includes accounting principles for companies whose rates are determined by independent third-party regulators. When setting rates, regulators often make decisions, the economics of which require companies to defer costs or revenues in different periods than may be appropriate for unregulated enterprises. When this situation occurs, a regulated company defers the associated costs as regulatory assets on the balance sheet and records them as expense on the income statement as it collects revenues. Further, regulators can also impose liabilities upon a regulated company, for amounts previously collected from customers and for recovery of costs that are expected to be incurred in the future, as regulatory liabilities. If we were required to terminate the application of these regulatory provisions to our regulated operations, all such deferred amounts would be recognized in our consolidated statement of income at that time, which could have a material impact on our financial position, results of operations and cash flows.

We monitor our regulatory and competitive environments to determine whether the recovery of our regulatory assets continues to be probable. If we determined that recovery of these assets is no longer probable, we would write off the assets against earnings. We believe that the provisions of ASC Topic 980 continue to apply to our regulated operations and that the recovery of our regulatory assets is probable.

Revenue Recognition

Revenues for our natural gas and electric distribution operations are based on rates approved by the PSC in each state in which they operate. Customers' base rates may not be changed without formal approval by these commissions. The PSCs, however, have authorized our regulated operations to negotiate rates, based on approved methodologies, with customers that have competitive alternatives. Eastern Shore's revenues are based on rates approved by the FERC. The FERC has also authorized Eastern Shore to negotiate rates above or below the FERC-approved maximum rates, which customers can elect as an alternative to FERC-approved maximum rates.

For regulated deliveries of natural gas and electricity, we read meters and bill customers on monthly cycles that do not coincide with the accounting periods used for financial reporting purposes. We accrue unbilled revenues for natural gas and electricity delivered, but not yet billed, at the end of an accounting period to the extent that they do not coincide. We estimate the amount of the unbilled revenue by jurisdiction and customer class.

All of our regulated natural gas and electric distribution operations have fuel cost recovery mechanisms. These mechanisms allow us to adjust billing rates, without further regulatory approvals, to reflect changes in the cost of purchased fuel. Differences between the cost of fuel purchased and delivered are deferred and accounted for as either unrecovered fuel cost or amounts payable to customers. Generally, these deferred amounts are recovered or refunded within one year.

We charge flexible rates to our natural gas distribution industrial interruptible customers who can use alternative fuels. Interruptible service imposes no contractual obligation to deliver or receive natural gas on a firm service basis.

Our unregulated propane distribution businesses record revenue in the period the products are delivered and/or services are rendered for their bulk delivery customers. For propane customers with meters whose billing cycles do not coincide with our accounting periods, we accrue unbilled revenue for product delivered but not yet billed and bill customers at the end of an accounting period, as we do in our regulated energy businesses.

Our Ohio natural gas transmission/supply operation recognizes revenues based on actual volumes of natural gas shipped using contractual rates based upon index prices that are published monthly.

Eight Flags records revenues based on the amount of electricity and steam generated and sold to its customers.

Our mobile compressed natural gas operation recognizes revenue for CNG services at the end of each calendar month for services provided during the month based on agreed upon rates for labor, equipment utilized, costs incurred for natural gas compression, miles driven, mobilization and demobilization fees.

We report revenue taxes, such as gross receipts taxes, franchise taxes, and sales taxes, on a net basis.

For our businesses with agreements that contain variable consideration, we use the invoice practical expedient method. We determined that the amounts invoiced to customers correspond directly with the value to our customers and our performance to date.

Natural Gas, Electric and Propane Costs

Natural gas, electric and propane costs include the direct costs attributable to the products sold or services provided to our customers. These costs include primarily the variable commodity cost of natural gas, electricity and propane, costs of pipeline capacity needed to transport and store natural gas, transmission costs for electricity, costs to gather and process natural gas, costs to transport propane to/from our storage facilities or our mobile CNG equipment to customer locations, and steam and electricity generation costs. Depreciation expense is not included in natural gas, electric and propane costs.

Operations and Maintenance Expenses

Operations and maintenance expenses include operations and maintenance salaries and benefits, materials and supplies, usage of vehicles, tools and equipment, payments to contractors, utility plant maintenance, customer service, professional fees and other outside services, insurance expense, minor amounts of depreciation, accretion of removal costs for future retirements of utility assets and other administrative expenses.

Cash and Cash Equivalents

Our policy is to invest cash in excess of operating requirements in overnight income-producing accounts. Such amounts are stated at cost, which approximates fair value. Investments with an original maturity of three months or less when purchased are considered cash equivalents.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable consist primarily of amounts due for sales of natural gas, electricity and propane and transportation and distribution services to customers. An allowance for doubtful accounts is recorded against amounts due based upon our collections experiences and an assessment of our customers' inability or reluctance to pay. If circumstances change, our estimates of recoverable accounts receivable may also change. Circumstances which could affect such estimates include, but are not limited to, customer credit issues, natural gas, electricity and propane prices and impacts from general economic conditions. Accounts receivable are written off when they are deemed to be uncollectible.

Our estimate for expected credit losses has been developed by analyzing our portfolio of financial assets that present potential credit exposure risk. These assets consist solely of our trade receivables from customers and contract assets. The estimate is based on five years of historical collections experience, a review of current economic and operating conditions in our service territories, and an examination of economic indicators which provide a reasonable and supportable basis of potential future activity. Those indicators include metrics which we believe provide insight into the future collectability of our trade receivables such as unemployment rates and economic growth statistics in our service territories.

When determining estimated credit losses, we analyze the balance of our trade receivables based on the underlying line of business. This includes an examination of trade receivables from our energy distribution, energy transmission, energy delivery services and propane operations businesses. Our energy distribution business consists of all our regulated distribution utility (natural gas and electric) operations on the Delmarva Peninsula and in Florida. These business units have the ability to recover their costs through the rate-making process, which can include consideration for amounts historically written off to be included in rate base. Therefore, they possess a mechanism to recover credit losses which we believe reduces their exposure to credit risk. Our energy transmission and energy delivery services business units consist of our natural gas pipelines and our mobile CNG delivery operations. The majority of customers served by these business units are regulated distribution utilities who also have the ability to recover their costs. We believe this cost recovery mechanism significantly reduces the amount of credit risk associated with these customers. Our propane operations are unregulated and do not have the same ability to recover their costs as our regulated operations. However, historically our propane operations have not had material write offs relative to the amount of revenues generated.

Our estimate of expected credit losses reflects our anticipated losses associated with our trade receivables as a result of non-payment from our customers beginning the day the trade receivable is established. We believe the risk of loss associated with trade receivables classified as current presents the least amount of credit exposure risk and therefore, we assign a lower estimate to our current trade receivables. As our trade receivables age outside of their expected due date, our estimate increases. Our allowance for credit losses relative to the balance of our trade receivables has historically been immaterial as a result of on time payment activity from our customers.

The table below illustrates the changes in the balance of our allowance for expected credit losses for the year ended December 31, 2025:

(in millions)		
Balance at December 31, 2024	**$**	**3.3**
Additions:		
Provision for credit losses		**3.5**
Recoveries		**0.2**
Deductions:		
Write offs		**(1.6)**
Balance at December 31, 2025	**$**	**5.4**

Inventories

We use the average cost method to value propane, materials and supplies, and other merchandise inventory. If market prices drop below cost, inventory balances that are subject to price risk are adjusted to their net realizable value. There were no lower-of-cost-or-net realizable value adjustment for the years ended December 31, 2025, 2024 or 2023.

Goodwill and Other Intangible Assets

Goodwill is not amortized but is tested for impairment at least annually, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We generally use a present value technique based on discounted cash flows to estimate the fair value of our reporting units. An impairment charge is recognized if the carrying value of a reporting unit's goodwill exceeds its fair value. There were no goodwill impairments recognized during the years ended December 31, 2025, 2024 and 2023. Other intangible assets are amortized on a straight-line basis over their estimated economic useful lives.

Other Deferred Charges

Other deferred charges include issuance costs associated with short-term borrowings. These charges are amortized over the life of the related short-term debt borrowings.

Asset Removal Cost

As authorized by the appropriate regulatory body (state PSC or FERC), we accrue future asset removal costs associated with utility property, plant and equipment even if a legal obligation does not exist. Such accruals are provided for through depreciation expense and are recorded with corresponding credits to regulatory liabilities or assets. When we retire depreciable utility plant and equipment, we charge the associated original costs to accumulated depreciation and amortization, and any related removal costs incurred are charged to regulatory liabilities or assets. The difference between removal costs recognized in depreciation rates and the accretion and depreciation expense recognized for financial reporting purposes is a timing difference between recovery of these costs in rates and their recognition for financial reporting purposes. Accordingly, these differences are deferred as regulatory liabilities or assets. In the rate setting process, the regulatory liability or asset is excluded from the rate base upon which those utilities have the opportunity to earn their allowed rates of return. The costs associated with our asset retirement obligations are either currently being recovered in rates or are probable of recovery in future rates.

See Note 17, *Rates and Other Regulatory Activities*, for information related to FCG's RSAM that was approved as part of its rate case effective as of May 1, 2023.

Pension and Other Postretirement Plans

Pension and other postretirement plan costs and liabilities are determined on an actuarial basis and are affected by numerous assumptions and estimates, including the fair value of plan assets, estimates of the expected returns on plan assets, assumed discount rates, the level of contributions made to the plans, and current demographic and actuarial mortality data. We review annually the estimates and assumptions underlying our pension and other postretirement plan costs and liabilities with the assistance of third-party actuarial firms. The assumed discount rates, expected returns on plan assets and the mortality assumption are the factors that generally have the most significant impact on our pension costs and liabilities. The assumed discount rates, health care cost trend rates and rates of retirement generally have the most significant impact on our postretirement plan costs and liabilities.

The discount rates are utilized principally in calculating the actuarial present value of our pension and postretirement obligations and net pension and postretirement costs. When estimating our discount rates, we consider high-quality corporate

bond rates, such as the Empower curve index and the FTSE Index, changes in those rates from the prior year and other pertinent factors, including the expected life of each of our plans and their respective payment options.

The expected long-term rates of return on assets are utilized in calculating the expected returns on the plan assets component of our annual pension plan costs. We estimate the expected returns on plan assets by evaluating expected bond returns, asset allocations, the effects of active plan management, the impact of periodic plan asset rebalancing and historical performance. We also consider the guidance from our investment advisors in making a final determination of our expected rates of return on plan assets.

We estimate the health care cost trend rates used in determining our postretirement expense based upon actual health care cost experience, the effects of recently enacted legislation and general economic conditions. Our assumed rate of retirement is estimated based upon our annual reviews of participant census information as of the measurement date.

The mortality assumption used for our pension and postretirement plans is reviewed periodically and is based on the actuarial table that best reflects the expected mortality of the plan participants.

Income Taxes, Investment Tax Credit Adjustments and Tax-Related Contingency

Deferred tax assets and liabilities are recorded for the income tax effect of temporary differences between the financial statement basis and tax basis of assets and liabilities and are measured using the enacted income tax rates in effect in the years in which the differences are expected to reverse. Deferred tax assets are recorded when it is more likely than not that such income tax benefits will be realized. Valuation allowances may be recorded if it is determined that some deferred tax assets will not be realized. Investment tax credits on utility property have been deferred and are allocated to income ratably over the lives of the subject property.

We account for uncertainty in income taxes in our consolidated financial statements only if it is more likely than not that an uncertain tax position is sustainable based on technical merits. Recognizable tax positions are then measured to determine the amount of benefit recognized in the consolidated financial statements. We recognize penalties and interest related to unrecognized tax benefits as a component of other income.

We account for contingencies associated with taxes other than income when the likelihood of a loss is both probable and estimable. In assessing the likelihood of a loss, we do not consider the existence of current inquiries, or the likelihood of future inquiries, by tax authorities as a factor. Our assessment is based solely on our application of the appropriate statutes and the likelihood of a loss, assuming the proper inquiries are made by tax authorities.

Financial Instruments

We utilize financial instruments to mitigate commodity price risk associated with fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our propane operations enter into derivative transactions, such as swaps, put options and call options in order to mitigate the impact of wholesale price fluctuations on inventory valuation and future purchase commitments. These transactions may be designated as fair value hedges or cash flow hedges, if they meet all of the accounting requirements pursuant to ASC Topic 815, *Derivatives and Hedging,* and we elect to designate the instruments as hedges. If designated as a fair value hedge, the value of the hedging instrument, such as a swap, future, or put option, is recorded at fair value, with the effective portion of the gain or loss of the hedging instrument effectively reducing or increasing the value of the hedged item. If designated as a cash flow hedge, the value of the hedging instrument, such as a swap or call option, is recorded at fair value with the effective portion of the gain or loss of the hedging instrument being initially recorded in accumulated other comprehensive income (loss) and reclassified to earnings when the associated hedged transaction settles. The ineffective portion of the gain or loss of a hedge is immediately recorded in earnings. If the instrument is not designated as a fair value or cash flow hedge, or it does not meet the accounting requirements of a hedge under ASC Topic 815, *Derivatives and Hedging*, it is recorded at fair value with all gains or losses being recorded directly in earnings.

Our natural gas, electric and propane operations enter into agreements with suppliers to purchase natural gas, electricity, and propane for resale to our respective customers. Purchases under these contracts, as well as distribution and sales agreements with counterparties or customers, either do not meet the definition of a derivative, or qualify for “normal purchases and normal sales” treatment under ASC Topic 815 and are accounted for on an accrual basis.

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. We designate and account for the interest rate swaps as cash flows hedges. Accordingly, unrealized gains and losses associated with the interest rate swaps are recorded as a component of accumulated other comprehensive income (loss). When the interest rate swaps settle, the realized gain or loss will be recorded in the income statement and recognized as a component of interest charges.

Recently Adopted Accounting Standards

FASB

Segment Reporting (ASC 280) - In November 2023, the FASB issued ASU 2023-07, Improvements to Reportable Segments Disclosures, which modifies required disclosures about a public entity's reportable segments and addresses requests from investors for more detailed information about a reportable segment's expenses and a more comprehensive reconciliation of each segment's reported profit or loss. We adopted ASU 2023-07 for our annual financial statements beginning January 1, 2024 and our interim financial statements beginning January 1, 2025. ASU 2023-07 only impacts disclosures, and as a result, did not have an impact on our financial position or results of operations.

Income Taxes (ASC 740) - In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures,* which modifies required income tax disclosures primarily related to an entity's rate reconciliation and information pertaining to income taxes paid. These enhancements address requests from investors related to transparency and usefulness of income tax disclosures. ASU 2023-09 became effective for our annual financial statements beginning January 1, 2025. ASU 2023-09 only impacts disclosures, and as a result, did not have an impact on our financial position or results of operations.

Recent Accounting Standards Yet to be Adopted

FASB

Income Statement Expense Disaggregation (ASC 220) - In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*, which requires disclosure in the notes to financial statements of specified information about certain costs and expenses. ASU 2024-03 will be effective for our annual financial statements beginning January 1, 2027 and our interim financial statements beginning January 1, 2028. ASU 2024-04 only impacts disclosures, and as a result, will not have an impact on our financial position or results of operations.

Internal-Use Software (ASC 350) - In September 2025, the FASB issued ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software.* This update, among other changes, eliminates the project stages used in the historical guidance and instead, focuses on a principles-based approach that utilizes management's commitment to the project and the probability of project completion. ASU 2025-06 will be effective for our interim and annual financial statements beginning January 1, 2028. We do not expect ASU 2025-06 to have a material impact on our financial position or results of operation.

Derivatives and Hedging (ASC 815) - In November 2025, the FASB issued ASU 2025-09, *Hedge Accounting Improvements*. This update aims to align hedge accounting more closely with an entity's risk management activities. The update focuses on reducing complexity and expands the eligibility of highly effective economic hedges. ASU 2025-09 will be effective for our interim and annual financial statements beginning January 1, 2027. We do not expect this ASU to have a material impact on our financial position or results of operation.

Interim Reporting (ASC 270) - In December 2025, the FASB issued ASU 2025-11, *Narrow-Scope Improvements*. The update clarifies the scope and content requirements for interim financial reporting. It will not fundamentally change existing interim disclosure requirements but improves the navigability of the guidance. ASU 2025-11 will be effective for our interim and annual financial statements beginning January 1, 2028. ASU 2025-11 only impacts disclosures, and as a result, will not have an impact on our financial position or results of operations.

SEC

Climate-Related Disclosures - In March 2024, the SEC issued a final rule that requires a public entity to provide disclosures surrounding material Scope 1 and Scope 2 emissions, climate-related risks and the material impact of those risks, and material climate targets and goals. In April 2024, the SEC issued a stay on the final rule as a result of various petitions being filed that sought review of the final ruling in multiple courts of appeals. In March 2025, the SEC withdrew its defense of the final rule. We will continue to monitor any further developments related to the stay and review process.

Federal Statute Updates

In July 2025, H.R. 1 (referred to as the "One Big Beautiful Bill Act") was signed into law. The comprehensive legislative package contains, among other topics, significant tax law changes and regulatory compliance updates, with various effective dates, including provisions related to limitations of interest expense deductions and the reinstatement of bonus depreciation for non-regulated qualified property. These provisions of the One Big Beautiful Bill Act had a positive impact on our income tax provision beginning in the third quarter of 2025, and we continue to evaluate the anticipated impacts to our financial position, results of operations, and/or cash flows on a go-forward basis.

3. Earnings Per Share

The following table presents the calculation of our basic and diluted earnings per share:

	For the Year Ended December 31,		
	2025	**2024**	**2023**
(dollars in millions, shares in thousands (except per share data))			
Calculation of Basic Earnings Per Share:			
Net Income	**$ 140.3**	$ 118.6	$ 87.2
Weighted average shares outstanding [1]	**23,389**	22,469	18,371
Basic Earnings Per Share	**$ 6.00**	$ 5.28	$ 4.75
Calculation of Diluted Earnings Per Share:			
Reconciliation of Denominator:			
Weighted average shares outstanding — Basic [1]	**23,389**	22,469	18,371
Effect of dilutive securities — Share-based compensation	**99**	62	64
Adjusted denominator — Diluted [1]	**23,488**	22,531	18,435
Diluted Earnings Per Share	**$ 5.97**	$ 5.26	$ 4.73

[1] Weighted average shares reflect the impact of 4.4 million common shares issued in November 2023 in connection with the acquisition of FCG. See Notes 4 and 14 for additional details on the acquisition and related equity offering.

4. Acquisitions

Acquisition of Florida City Gas

On November 30, 2023, we completed the acquisition of FCG for $922.8 million in cash, including working capital adjustments as defined in the agreement that were settled during the first quarter of 2024, pursuant to the stock purchase agreement with Florida Power & Light Company. Upon completion of the acquisition, FCG became a wholly-owned subsidiary of the Company and is included within our Regulated Energy segment.

The purchase price of the acquisition was funded with $366.4 million of net proceeds from the issuance of 4.4 million shares of our common stock, the issuance of approximately $550.0 million principal amount of uncollateralized senior notes, and borrowings under the Company's Revolver. See Note 12, *Long-Term Debt*, and Note 14, *Stockholders' Equity,* for additional details on these financing activities.

The excess of the purchase price for FCG over the fair value of the assets acquired and liabilities assumed was reflected as goodwill within the Regulated Energy segment. Goodwill resulting from the acquisition was largely attributable to expansion opportunities provided within our existing regulated operations in Florida, including planned customer growth and growth in rate base through continued investment in our utility infrastructure, as well as natural gas transmission infrastructure supporting the distribution operations. The goodwill recognized in connection with the acquisition of FCG is deductible for income tax purposes.

The components of the purchase price allocation are as follows:

(in millions)

Assets acquired:	**Acquisition Date Fair Value**
Cash	$ 2.3
Accounts receivable, net	14.1
Regulatory assets - current	3.0
Other current assets	2.0
Property, plant and equipment	454.4
Goodwill	460.9
Regulatory assets - non-current	3.4
Other deferred charges and other assets	18.3
Total assets acquired	**958.4**
Liabilities assumed:	
Current liabilities	(20.9)
Regulatory liabilities	(14.1)
Other deferred credits and other liabilities	(0.6)
Total liabilities assumed	**(35.6)**
Net purchase price	**$ 922.8**

Direct transaction and transition-related costs of $10.4 million associated with the FCG acquisition are reflected in “FCG transaction and transition-related expenses” on our consolidated statement of income for the year ended December 31, 2023. In addition, interest charges included $4.1 million related to fees and expenses associated with the Bridge Facility, which was terminated without any funds drawn, for the year ended December 31, 2023. Other transaction costs of $15.9 million related primarily to the debt and equity financings executed in connection with the acquisition, were deferred on the consolidated balance sheet or recorded in equity as an offset to proceeds received, as appropriate, as of December 31, 2023.

For the year ended December 31, 2025, the Company’s consolidated results include $170.4 million of operating revenue and net income of $5.2 million attributable to FCG which includes $1.2 million of transaction and transition-related expenses. For the year ended December 31, 2024, the Company’s consolidated results include $140.3 million of operating revenue and net income of $13.5 million attributable to FCG which includes $4.0 million of the transaction and transition-related expenses described above. In 2025, the Company filed a traditional depreciation filing with the FPSC related to the remaining excess depreciation reserve. See Note 17, Rates and Other Regulatory Activities, for additional information.

5. Revenue Recognition

We recognize revenue when our performance obligations under contracts with customers have been satisfied, which generally occurs when our businesses have delivered or transported natural gas, electricity or propane to customers. We exclude sales taxes and other similar taxes from the transaction price. Typically, our customers pay for the goods and/or services we provide in the month following the satisfaction of our performance obligation. The following tables display revenue by major source based on product and service type for the years ended December 31, 2025, 2024 and 2023:

(in millions)	For the Year Ended December 31, 2025			
	Regulated Energy	**Unregulated Energy**	**Other and Eliminations**	**Total**
Energy distribution				
Delaware natural gas division	$ 103.5	$ —	$ —	$ 103.5
FPU natural gas distribution	191.8	—	—	191.8
FCG	170.4	—	—	170.4
FPU electric distribution	103.9	—	—	103.9
Maryland natural gas distribution [1]	64.2	—	—	64.2
Total energy distribution	633.8	—	—	633.8
Energy transmission				
Aspire Energy	—	50.4	—	50.4
Aspire Energy Express	1.5	—	—	1.5
Eastern Shore	86.9	—	—	86.9
Peninsula Pipeline	52.8	—	—	52.8
Total energy transmission	141.2	50.4	—	191.6
Energy generation				
Eight Flags	—	18.1	—	18.1
Propane operations				
Propane distribution operations	—	171.6	—	171.6
CNG / RNG				
Marlin Gas Services	—	28.2	—	28.2
Other RNG	—	3.8	—	3.8
Total CNG / RNG Services	—	32.0	—	32.0
Other and eliminations				
Eliminations	(87.2)	(0.2)	(29.9)	(117.3)
Other	—	—	0.2	0.2
Total other and eliminations	(87.2)	(0.2)	(29.7)	(117.1)
Total operating revenues [2]	**$ 687.8**	**$ 271.9**	**$ (29.7)**	**$ 930.0**

[1] In accordance with the Maryland PSC approval of our natural gas base rate proceeding, effective April 2025, our natural gas distribution businesses in Maryland (Maryland natural gas division, Sandpiper Energy and Elkton Gas) are now consolidated for rate-making and other purposes and are reflected on a consolidated basis for all periods presented consistent with the final rate order. See Note 17, Rates and Other Regulatory Activities, for additional information.

[2] Total operating revenues for the year ended December 31, 2025, include other revenue (revenues from sources other than contracts with customers) of $0.8 million and $0.4 million for our Regulated and Unregulated Energy segments, respectively. The sources of other revenues include revenue from alternative revenue programs related to revenue normalization and late fees for the Maryland natural gas distribution businesses.

(in millions)	For the Year Ended December 31, 2024			
	Regulated Energy	**Unregulated Energy**	**Other and Eliminations**	**Total**
Energy distribution				
Delaware natural gas division	$ 76.9	$ —	$ —	$ 76.9
FPU natural gas distribution	170.3	—	—	170.3
FCG	140.3	—	—	140.3
FPU electric distribution	92.6	—	—	92.6
Maryland natural gas distribution [1]	51.9	—	—	51.9
Total energy distribution	532.0	—	—	532.0
Energy transmission				
Aspire Energy	—	35.2	—	35.2
Aspire Energy Express	1.5	—	—	1.5
Eastern Shore	81.7	—	—	81.7
Peninsula Pipeline	34.5	—	—	34.5
Total energy transmission	117.7	35.2	—	152.9
Energy generation				
Eight Flags	—	18.0	—	18.0
Propane operations				
Propane distribution operations	—	157.9	—	157.9
CNG / RNG				
Marlin Gas Services	—	16.6	—	16.6
Other RNG	—	1.0	—	1.0
Total CNG / RNG Services	—	17.6	—	17.6
Other and eliminations				
Eliminations	(66.3)	(0.3)	(24.8)	(91.4)
Other	—	—	0.2	0.2
Total other and eliminations	(66.3)	(0.3)	(24.6)	(91.2)
Total operating revenues [2]	**$ 583.4**	**$ 228.4**	**$ (24.6)**	**$ 787.2**

[1] In accordance with the Maryland PSC approval of our natural gas base rate proceeding, effective April 2025, our natural gas distribution businesses in Maryland (Maryland natural gas division, Sandpiper Energy and Elkton Gas) are now consolidated for rate-making and other purposes and are reflected on a consolidated basis for all periods presented consistent with the final rate order. See Note 17, Rates and Other Regulatory Activities, for additional information.

[2] Total operating revenues for the year ended December 31, 2024, include other revenue (revenues from sources other than contracts with customers) of $1.6 million and $0.4 million for our Regulated and Unregulated Energy segments, respectively. The sources of other revenues include revenue from alternative revenue programs related to revenue normalization and late fees for the Maryland natural gas distribution businesses.

(in millions)	For the Year Ended December 31, 2023			
	Regulated Energy	**Unregulated Energy**	**Other and Eliminations**	**Total**
Energy distribution				
Delaware natural gas division	$ 83.9	$ —	$ —	$ 83.9
FPU natural gas distribution	168.4	—	—	168.4
FCG [1]	12.1	—	—	12.1
FPU electric distribution	99.5	—	—	99.5
Maryland natural gas distribution [2]	57.1	—	—	57.1
Total energy distribution	421.0	—	—	421.0
Energy transmission				
Aspire Energy	—	37.1	—	37.1
Aspire Energy Express	1.5	—	—	1.5
Eastern Shore	79.9	—	—	79.9
Peninsula Pipeline	30.4	—	—	30.4
Total energy transmission	111.8	37.1	—	148.9
Energy generation				
Eight Flags	—	19.2	—	19.2
Propane operations				
Propane distribution operations	—	154.7	—	154.7
Compressed Natural Gas Services				
Marlin Gas Services	—	12.3	—	12.3
Other and eliminations				
Eliminations	(59.2)	(0.2)	(26.3)	(85.7)
Other	—	—	0.2	0.2
Total other and eliminations	(59.2)	(0.2)	(26.1)	(85.5)
Total operating revenues [3]	**$ 473.6**	**$ 223.1**	**$ (26.1)**	**$ 670.6**

[1] Operating revenues for FCG include amounts from the acquisition date through December 31, 2023. For additional information on FCG's results, see Note 4, Acquisitions, and discussion under *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations*.

[2] In accordance with the Maryland PSC approval of our natural gas base rate proceeding, effective April 2025, our natural gas distribution businesses in Maryland (Maryland natural gas division, Sandpiper Energy and Elkton Gas) are now consolidated for rate-making and other purposes and are reflected on a consolidated basis for all periods presented consistent with the final rate order. See Note 17, Rates and Other Regulatory Activities, for additional information.

[3] Total operating revenues for the year ended December 31, 2023, include other revenue (revenues from sources other than contracts with customers) of $1.2 million and $0.4 million for our Regulated and Unregulated Energy segments, respectively. The sources of other revenues include revenue from alternative revenue programs related to revenue normalization for Maryland division and Sandpiper and late fees.

Regulated Energy Segment

The businesses within our Regulated Energy segment are regulated utilities whose operations and customer contracts are subject to rates approved by the respective state PSC or the FERC.

Our energy distribution operations deliver natural gas or electricity to customers, and we bill the customers for both the delivery of natural gas or electricity and the related commodity, where applicable. In most jurisdictions, our customers are also required to purchase the commodity from us, although certain customers in some jurisdictions may purchase the commodity from a third-party retailer (in which case we provide delivery service only). We consider the delivery of natural gas or electricity and/or the related commodity sale as one performance obligation because the commodity and its delivery are highly interrelated with two-way dependency on one another. Our performance obligation is satisfied over time as natural gas or electricity is delivered and consumed by the customer. We recognize revenues based on monthly meter readings, which are based on the quantity of natural gas or electricity used and the approved rates. We accrue unbilled revenues for natural gas and electricity that have been delivered, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide.

Revenues for Eastern Shore are based on rates approved by the FERC. The FERC has also authorized Eastern Shore to negotiate rates above or below the FERC-approved maximum rates, which customers can elect as an alternative to the FERC-approved maximum rates. Eastern Shore's services can be firm or interruptible. Firm services are offered on a guaranteed basis and are available at all times unless prevented by force majeure or other permitted curtailments. Interruptible customers receive service only when there is available capacity or supply. Our performance obligation is satisfied over time as we deliver natural gas to the customers' locations. We recognize revenues based on capacity used or reserved and the fixed monthly charge.

Peninsula Pipeline is engaged in natural gas intrastate transmission to third-party customers and certain affiliates in the State of Florida. Our performance obligation is satisfied over time as the natural gas is transported to customers. We recognize revenue based on rates approved by the Florida PSC and the capacity used or reserved. We accrue unbilled revenues for transportation services provided and not yet billed at the end of an accounting period.

Aspire Energy Express is engaged in natural gas intrastate transmission in the State of Ohio. We currently serve the Guernsey Power Station and our performance obligation is satisfied over time as the natural gas is transported to the plant. We recognize revenue based on rates approved by the Ohio PSC and the capacity used or reserved. We accrue unbilled revenues for transportation services provided and not yet billed at the end of an accounting period.

Unregulated Energy Segment

Revenues generated from the Unregulated Energy segment are not subject to any federal, state, or local pricing regulations. Aspire Energy primarily sources gas from hundreds of conventional producers and performs gathering and processing functions to maintain the quality and reliability of its gas for its wholesale customers. Aspire Energy's performance obligation is satisfied over time as natural gas is delivered to its customers. Aspire Energy recognizes revenue based on the deliveries of natural gas at contractually agreed upon rates (which are based upon an established monthly index price and a monthly operating fee, as applicable). For natural gas customers, we accrue unbilled revenues for natural gas that has been delivered, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide with the end of the accounting period.

Eight Flags' CHP plant, which is located on land leased from a customer, produces three sources of energy: electricity, steam and heated water. This customer purchases the steam (unfired and fired) and heated water, which are used in the customer’s production facility. Our electric distribution operation purchases the electricity generated by the CHP plant for distribution to its customers. Eight Flags' performance obligation is satisfied over time as deliveries of heated water, steam and electricity occur. Eight Flags recognizes revenues over time based on the amount of heated water, steam and electricity generated and delivered to its customers.

For our propane distribution operations, we recognize revenue based upon customer type and service offered. Generally, for propane bulk delivery customers (customers without meters) and wholesale sales, our performance obligation is satisfied when we deliver propane to the customers' locations (point-in-time basis). We recognize revenue from these customers based on the number of gallons delivered and the price per gallon at the point-in-time of delivery. For our propane distribution customers with meters, we satisfy our performance obligation over time. We recognize revenue over time based on the amount of propane consumed and the applicable price per unit. For propane distribution metered customers, we accrue unbilled revenues for propane that is estimated to have been consumed, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide with the end of the accounting period.

Marlin Gas Services provides mobile CNG and pipeline solutions primarily to utilities and pipelines. Marlin Gas Services provides temporary hold services, pipeline integrity services, emergency services for damaged pipelines and specialized gas services for customers who have unique requirements. Marlin Gas Services continues to actively expand the territories it serves, as well as leveraging its fleet of equipment and patented technologies to also serve LNG and RNG market needs. Marlin Gas Services' performance obligations are comprised of the compression of natural gas, mobilization of CNG equipment, utilization of equipment and on-site CNG support. Our performance obligations for the compression of natural gas, utilization of mobile CNG equipment and for the on-site CNG staff support are satisfied over time when the natural gas is compressed, equipment is utilized or as our staff provide support services to our customers. Our performance obligation for the mobilization of CNG equipment is satisfied at a point-in-time when the equipment is delivered to the customer project location. We recognize revenue for CNG services at the end of each calendar month for services provided during the month based on agreed upon rates for equipment utilized, costs incurred for natural gas compression, miles driven, mobilization and demobilization fees.

Contract balances

The timing of revenue recognition, customer billings and cash collections results in trade receivables and customer advances (contract liabilities) in our consolidated balance sheets. The balances of our trade receivables, contract assets, and contract liabilities as of December 31, 2025 and 2024 were as follows:

(in millions)	Trade Receivables	Contract Assets (Current)	Contract Assets (Noncurrent)	Contract Liabilities (Current)
Balance at 12/31/2024	$ 66.2	$ —	$ 3.0	$ 1.2
Balance at 12/31/2025	**92.2**	—	**2.9**	**1.3**
Increase (decrease)	$ 26.0	$ —	$ (0.1)	$ 0.1

Our trade receivables are included in trade and other receivables in the consolidated balance sheets. Our non-current contract assets are included in receivables and other deferred charges in the consolidated balance sheets and relate to operations and maintenance costs incurred by Eight Flags that have not yet been recovered through rates for the sale of electricity to our electric distribution operation pursuant to a long-term service agreement.

At times, we receive advances or deposits from our customers before we satisfy our performance obligation, resulting in contract liabilities. Contract liabilities are included in other accrued liabilities in the consolidated balance sheets and relate to non-refundable prepaid fixed fees for our propane distribution operation's retail offerings. Our performance obligation is satisfied over the term of the respective retail offering plan on a ratable basis. For the years ended December 31, 2025 and 2024, the amount of contract liabilities recognized in revenue were not material.

Remaining performance obligations

Our businesses have long-term fixed fee contracts with customers in which revenues are recognized when performance obligations are satisfied over the contract term. Revenue for these businesses for the remaining performance obligations at December 31, 2025 are expected to be recognized as follows:

(in millions)	2026	2027	2028	2029	2030	2031 and thereafter
Eastern Shore and Peninsula Pipeline	$ 39.2	$ 35.2	$ 32.8	$ 30.1	$ 24.0	$ 150.2
Natural gas distribution operations	12.6	10.2	10.2	10.2	10.1	29.7
FPU electric distribution	1.0	0.6	0.6	0.6	—	—
Total revenue contracts with remaining performance obligations	$ 52.8	$ 46.0	$ 43.6	$ 40.9	$ 34.1	$ 179.9

6. Segment Information

We use the management approach to identify operating segments. We organize our business around differences in regulatory environment and/or products or services, and the operating results of each segment are regularly reviewed by the chief operating decision maker, our President and Chief Executive Officer, in order to make decisions about resources and to assess performance.

Our operations are entirely domestic and are comprised of two reportable segments:

- *Regulated Energy*. Includes energy distribution and transmission services (natural gas distribution, natural gas transmission and electric distribution operations). All operations in this segment are regulated, as to their rates and services, by the PSC having jurisdiction in each operating territory or by the FERC in the case of Eastern Shore.
- *Unregulated Energy.* Includes energy transmission, energy generation (the operations of our Eight Flags' CHP plant), propane distribution operations, mobile compressed natural gas distribution and pipeline solutions operations, and sustainable energy investments including renewable natural gas related investments. Also included in this segment are other unregulated energy services, such as energy-related merchandise sales and heating, ventilation and air conditioning, plumbing and electrical services. These operations are unregulated as to their rates and services.

The remainder of our operations are presented as "Other businesses and eliminations," which consists of unregulated subsidiaries that own real estate leased to the Company, as well as certain corporate costs not allocated to other operations.

The following tables present information about our reportable segments:

	For the Year Ended December 31,							
	2025				2024			
(in millions)	Regulated Energy	Unregulated Energy	Other and Eliminations [1]	Total	Regulated Energy	Unregulated Energy	Other and Eliminations [1]	Total
Operating revenues, unaffiliated customers	**$ 685.7**	**$ 244.3**	**$ 0.2**	**$ 930.2**	$ 578.3	$ 208.9	$ 0.2	$ 787.4
Intersegment revenues [2]	**2.1**	**27.6**	**(29.9)**	**(0.2)**	5.1	19.5	(24.8)	(0.2)
	687.8	**271.9**	**(29.7)**	**930.0**	583.4	228.4	(24.6)	787.2
Less:								
Natural gas, propane and electric costs	**193.8**	**127.3**	**(29.6)**	**291.5**	144.2	100.2	(24.6)	219.8
Operations and maintenance expenses	**169.0**	**84.6**	**(0.4)**	**253.2**	158.5	74.4	(0.3)	232.6
Depreciation and amortization	**70.9**	**20.8**	**—**	**91.7**	48.8	16.9	—	65.7
Other segment items [3]	**32.1**	**5.6**	—	**37.7**	35.7	5.2	—	40.9
Operating income	**$ 222.0**	**$ 33.6**	**$ 0.3**	**$ 255.9**	$ 196.2	$ 31.7	$ 0.3	$ 228.2
Other income, net				**9.6**				2.0
Interest charges				**72.5**				68.4
Income before income taxes				**193.0**				161.8
Income taxes				**52.7**				43.2
Net Income				**$ 140.3**				$ 118.6
Capital expenditures	**$ 409.8**	**$ 39.7**	**$ 20.9**	**$ 470.4**	$ 320.2	$ 33.9	$ 1.7	$ 355.8

[1] Other revenues and other operating income (loss) amounts are attributable to eliminations and unregulated subsidiaries that own real estate leased to the Company.
[2] All significant intersegment revenues are billed at market rates and have been eliminated from consolidated revenues.
[3] Other segment items for each reportable segment include: Regulated Energy- Other taxes and transaction and transition costs related to the acquisition and integration of FCG; Unregulated Energy - Other taxes.

	For the Year Ended December 31, 2023			
(in millions)	Regulated Energy	Unregulated Energy	Other and Eliminations [1]	Total
Operating revenues, unaffiliated customers	$ 471.6	$ 199.0	$ 0.2	$ 670.8
Intersegment revenues [2]	2.0	24.1	(26.3)	(0.2)
	473.6	223.1	(26.1)	670.6
Less:				
Natural gas, propane and electric costs	140.0	102.5	(26.0)	216.5
Operations and maintenance expenses	125.3	73.8	(0.3)	198.8
Depreciation and amortization	48.2	17.3	—	65.5
Other segment items [3]	33.9	5.1	—	39.0
Operating income	$ 126.2	$ 24.4	$ 0.2	$ 150.8
Other income, net				1.4
Interest charges				36.9
Income before income taxes				115.3
Income taxes				28.1
Net Income				$ 87.2
Capital expenditures [4]	$ 1,095.9	$ 40.3	$ 1.8	$ 1,138.0

[1] Other revenues and other operating income (loss) amounts are attributable to eliminations and unregulated subsidiaries that own real estate leased to the Company.
[2] All significant intersegment revenues are billed at market rates and have been eliminated from consolidated revenues.

[3] Other segment items for each reportable segment include: Regulated Energy - Other taxes and transaction and transition costs related to the acquisition and integration of FCG; Unregulated Energy - Other taxes.
[4] Regulated capital expenditures in 2023 include our acquisition of FCG for $922.8 million. See Note 4 for additional details.

	As of December 31,	
(in millions)	**2025**	**2024**
Identifiable Assets		
Regulated Energy segment	**$ 3,425.3**	$ 3,042.9
Unregulated Energy segment	**495.0**	486.4
Other businesses and eliminations	**74.5**	47.7
Total identifiable assets	**$ 3,994.8**	$ 3,577.0

7. Supplemental Cash Flow Disclosures

Cash paid for interest and income taxes during the years ended December 31, 2025, 2024, and 2023 were as follows:

	For the Year Ended December 31,		
(in millions)	**2025**	**2024**	**2023**
Cash paid for interest	**$ 73.2**	$ 73.0	$ 30.5
Cash paid for income taxes, net of refunds	**$ 16.0**	$ 9.4	$ 21.9

Non-cash investing and financing activities during the years ended December 31, 2025, 2024, and 2023 were as follows:

	For the Year Ended December 31,		
(in millions)	**2025**	**2024**	**2023**
Capital property and equipment acquired on account, but not paid for as of December 31,	**$ 64.5**	$ 34.0	$ 33.3
Common stock issued for the Retirement Savings Plan	**$ —**	$ 1.2	$ —
Common stock issued under the SICP	**$ 5.6**	$ 4.9	$ 3.7

8. Derivative Instruments

We use derivative and non-derivative contracts to manage risks related to obtaining adequate supplies and the price fluctuations of natural gas, electricity and propane and to mitigate interest rate risk. Our natural gas, electric and propane distribution operations have entered into agreements with suppliers to purchase natural gas, electricity and propane for resale to our customers. Our natural gas gathering and transmission company has entered into contracts with producers to secure natural gas to meet its obligations. Purchases under these contracts typically either do not meet the definition of derivatives or are considered “normal purchases and normal sales” and are accounted for on an accrual basis. Our propane distribution operations may also enter into fair value hedges of their inventory or cash flow hedges of their future purchase commitments in order to mitigate the impact of wholesale price fluctuations. Occasionally, we may enter into interest rate swap agreements to mitigate risk associated with changes in short-term borrowing rates. As of December 31, 2025 and 2024, our natural gas and electric distribution operations did not have any outstanding derivative contracts.

Volume of Derivative Activity

As of December 31, 2025, the volume of our open commodity derivative contracts were as follows:

Business unit	Commodity	Contract Type	Quantity hedged (in millions)	Designation	Longest expiration date of hedge
Sharp	Propane (gallons)	Purchases	10.2	Cash flow hedges	September 2028

Sharp entered into futures and swap agreements to mitigate the risk of fluctuations in wholesale propane index prices associated with the propane volumes expected to be purchased and/or sold during the heating season. Under the futures and swap agreements, Sharp will receive or pay the difference between (i) the index prices (Mont Belvieu prices in December 2025 through September 2028) and (ii) the per gallon propane contracted prices, to the extent the index prices deviate from the

contracted prices. We designated and accounted for the propane swaps as cash flow hedges. The change in the fair value of the swap agreements is initially recorded as a component of accumulated other comprehensive income (loss) and later recognized in our consolidated statement of income in the same period and in the same line item as the hedged transaction. We expect to reclassify approximately $0.6 million of unrealized loss related to our propane derivatives from accumulated other comprehensive income (loss) to earnings during the next 12-month period.

Interest Rate Swap Activities

We manage interest rate risk by entering into derivative contracts to hedge the variability in cash flows attributable to changes in the short-term borrowing rates. In September 2022, we entered into an interest rate swap with a notional amount of $50.0 million with pricing of 3.98 percent. This swap expired in September 2025. In August 2024, we entered into an additional interest rate swap through August 2029, at a notional amount of $50.0 million and pricing of 3.97 percent. Our interest rate swaps are cash settled monthly as the counter-party pays us the 30-day SOFR rate less the fixed rate.

We designate and account for interest rate swaps as cash flow hedges. Accordingly, unrealized gains and losses associated with the interest rate swaps are initially recorded as a component of accumulated other comprehensive income (loss). As the interest rate swap settles, the realized gain or loss is recorded in the income statement and is recognized as a component of interest charges.

Broker Margin

Futures exchanges have contract specific margin requirements that require the posting of cash or cash equivalents relating to traded contracts. Margin requirements consist of initial margin that is posted upon the initiation of a position, maintenance margin that is usually expressed as a percent of initial margin, and variation margin that fluctuates based on the daily mark-to-market relative to maintenance margin requirements. We currently maintain a broker margin account for Sharp included within other current assets on the consolidated balance sheets which had a balance of $2.4 million and $1.9 million as of December 31, 2025 and December 31, 2024, respectively.

Financial Statements Presentation

The following tables present information about the fair value and related gains and losses of our derivative contracts. We did not have any derivative contracts with a credit-risk-related contingency. Fair values of the derivative contracts recorded in the consolidated balance sheets as of December 31, 2025 and 2024 are as follows:

		Derivative Assets	
		Fair Value as of	
(in millions)	**Balance Sheet Location**	**December 31, 2025**	**December 31, 2024**
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative assets, at fair value	**$ —**	$ 0.6
Interest rate swap agreements	Derivative assets, at fair value	**—**	0.1
Total Derivative Assets [1]		**$ —**	$ 0.7

[1] There were no current derivative assets at December 31, 2025. Derivative assets, at fair value included $0.6 million in current assets in the consolidated balance sheets at December 31, 2024, with the remainder of the balance classified as long-term.

		Derivative Liabilities	
		Fair Value as of	
(in millions)	**Balance Sheet Location**	**December 31, 2025**	**December 31, 2024**
Derivatives designated as cash flow hedges			
Propane swap agreements	Derivative liabilities, at fair value	**$ 0.7**	$ —
Interest rate swap agreements	Derivative liabilities, at fair value	**0.7**	0.1
Total Derivative Liabilities [1]		**$ 1.4**	$ 0.1

[1] Derivative liabilities, at fair value included $0.8 million in current liabilities in the consolidated balance sheet at December 31, 2025, with the remaining balance classified as long-term. There were no current derivative liabilities at December 31, 2024.

The effects of gains and losses from derivative instruments and their location in the consolidated statements of income are as follows:

		Amount of Gain (Loss) on Derivatives:		
		For the Year Ended December 31,		
(in millions)	Location of Gain (Loss) on Derivatives	2025	2024	2023
Derivatives designated as cash flow hedges				
Propane swap agreements	Revenues	**$ —**	$ (0.3)	$ 1.2
Propane swap agreements	Propane and natural gas costs	**0.5**	1.3	(1.1)
Interest rate swap agreements	Interest expense	**0.3**	0.8	0.5
Total		**$ 0.8**	$ 1.8	$ 0.6

9. Fair Value of Financial Instruments

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation methods used to measure fair value. The three levels of the fair value hierarchy are as follows:

Fair Value Hierarchy	Description of Fair Value Level	Fair Value Technique Utilized
Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities	*Investments - equity securities* - The fair values of these trading securities are recorded at fair value based on unadjusted quoted prices in active markets for identical securities. *Investments - mutual funds and other* - The fair values of these investments, comprised of money market and mutual funds, are recorded at fair value based on quoted net asset values of the shares.
Level 2	Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability	*Derivative assets and liabilities* - The fair value of the propane put/call options, propane and interest rate swap agreements are measured using market transactions for similar assets and liabilities in either the listed or over-the-counter markets.
Level 3	Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity)	*Investments - guaranteed income fund* - The fair values of these investments are recorded at the contract value, which approximates their fair value.

Financial Assets and Liabilities Measured at Fair Value

The following tables summarize our financial assets and liabilities that are measured at fair value on a recurring basis and the fair value measurements, by level, within the fair value hierarchy as of December 31, 2025 and 2024, respectively:

As of December 31, 2025 *(in millions)*	Fair Value	Fair Value Measurements Using: Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Investments—equity securities	**$ —**	**$ —**	**$ —**	**$ —**
Investments—guaranteed income fund	**0.9**	**—**	**—**	**0.9**
Investments—mutual funds and other	**16.3**	**16.3**	**—**	**—**
Total assets	**$ 17.2**	**$ 16.3**	**$ —**	**$ 0.9**
Liabilities:				
Derivative liabilities	**$ 1.4**	**$ —**	**$ 1.4**	**$ —**

As of December 31, 2024 *(in millions)*	Fair Value	Fair Value Measurements Using: Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Investments—equity securities	$ —	$ —	$ —	$ —
Investments—guaranteed income fund	1.1	—	—	1.1
Investments—mutual funds and other	13.3	$ 13.3	—	—
Total investments	14.4	13.3	—	1.1
Derivative assets	0.7	—	0.7	—
Total assets	$ 15.1	$ 13.3	$ 0.7	$ 1.1
Liabilities:				
Derivative liabilities	$ 0.1	$ —	$ 0.1	$ —

The changes in the fair value of our Level 3 investments for the years ended December 31, 2025 and 2024 were not material. Investment income from our Level 3 investments is reflected in other income (expense), net in the consolidated statements of income.

At December 31, 2025 and 2024, there were no non-financial assets or liabilities required to be reported at fair value. We review our non-financial assets for impairment at least on an annual basis, as required.

Other Financial Assets and Liabilities

Financial assets with carrying values approximating fair value include cash and cash equivalents and accounts receivable. Financial liabilities with carrying values approximating fair value include accounts payable, other accrued liabilities and short-term debt. The fair value of cash and cash equivalents is measured using the comparable value in the active market (Level 1 measurement). The fair value of short-term debt approximates the carrying value due to its near-term maturities and because interest rates approximate current market rates (Level 2 measurement).

At December 31, 2025, long-term debt, which includes the current maturities but excludes debt issuance cost, had both a carrying value and fair value of $1.5 billion. At December 31, 2024, long-term debt, which includes the current maturities but excludes debt issuance cost, had a carrying value of $1.3 billion, compared to the estimated fair value of $1.2 billion. The fair value was calculated using a discounted cash flow methodology that incorporates a market interest rate based on published corporate borrowing rates for debt instruments with similar terms and average maturities, and with adjustments for duration, optionality, and risk profile. The valuation technique used to estimate the fair value of long-term debt would be considered a Level 2 measurement.

See Note 15, *Employee Benefit Plans,* for fair value measurement information related to our pension plan assets.

10. Goodwill and Other Intangible Assets

The carrying value of goodwill as of December 31, 2025 and 2024 was as follows:

(in millions)	Regulated Energy	Unregulated Energy	Total Goodwill
Balance at December 31, 2024	$ 468.3	$ 39.4	$ 507.7
Reductions [1]	—	(0.2)	(0.2)
Balance at December 31, 2025	**$ 468.3**	**$ 39.2**	**$ 507.5**

[1] Adjustments in the Unregulated Energy segment relate to the sale of certain assets in our propane distribution business during 2025.

There were no goodwill impairments recognized during the three-year period ended December 31, 2025.

The carrying value and accumulated amortization of intangible assets subject to amortization as of December 31, 2025 and 2024 were as follows:

	As of December 31,			
	2025		2024	
(in millions)	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Customer relationships	**$ 17.0**	**$ 9.2**	$ 17.0	$ 8.2
Non-Compete agreements	**3.1**	**2.7**	3.1	2.3
Patents [1]	**6.6**	**1.6**	6.6	1.2
Other	**0.3**	**0.3**	0.3	0.3
Total	**$ 27.0**	**$ 13.8**	$ 27.0	$ 12.0

[1] Includes amounts related to patented technology developed by Marlin Gas Services and the acquisition of Planet Found.

The customer relationships, non-compete agreements, patents and other intangible assets acquired in the purchases of the operating assets of several companies are being amortized over a weighted average of 15 years. Amortization expense of intangible assets for the years ended December 31, 2025, 2024 and 2023 was $1.8 million, $1.9 million and $1.8 million, respectively. Amortization expense of intangible assets is expected to be $1.6 million for 2026, $1.5 million for 2027, $1.3 million for 2028 through 2030.

11. Income Taxes

We file a consolidated federal income tax return. Income tax expense allocated to our subsidiaries is based upon their respective taxable incomes and tax credits. State income tax returns are filed on a separate company basis in most states where we have operations and/or are required to file. Our federal and state corporate income tax returns for tax years after 2022 are subject to examination.

For federal income tax purposes, we have investment tax credits of $9.0 million, which begin to expire in 2044. For state income tax purposes, we have NOL carryforwards in various states of $192.1 million and $99.3 million as of December 31, 2025 and 2024, respectively, almost all of which will expire in 2040. We have not recorded a valuation allowance to reduce the future benefit of the investment tax credits or NOL carryforwards because we believe they will be fully utilized prior to expiration.

Tax Law Changes

On December 22, 2017, the TCJA was signed into law. Substantially all of the provisions of the TCJA were effective for taxable years beginning on or after January 1, 2018. The provisions that significantly impacted us include the reduction of the corporate federal income tax rate from 35 percent to 21 percent. Our federal income tax expense for periods beginning on January 1, 2018 are based on the new federal corporate income tax rate. The TCJA included changes to the Internal Revenue Code, which materially impacted our 2017 financial statements. ASC 740, *Income Taxes,* requires recognition of the effects of changes in tax laws in the period in which the law is enacted. ASC 740 requires deferred tax assets and liabilities to be measured at the enacted tax rate expected to apply when temporary differences are to be realized or settled. During 2018, we completed the assessment of the impact of accounting for certain effects of the TCJA. At the date of enactment in 2017, we re-measured deferred income taxes based upon the new corporate tax rate. See Note 17, *Rates and Other Regulatory Activities,* for further discussion of TCJA's impact on our regulated businesses.

See Note 2, *Summary of Significant Accounting Policies,* for more information on tax law updates.

The following tables provide: (a) the components of income tax expense in 2025, 2024, and 2023; (b) the reconciliation between the statutory federal income tax rate and the Company's effective income tax rate for 2025, 2024, and 2023; and (c) the components of accumulated deferred income tax assets and liabilities at December 31, 2025 and 2024.

	For the Year Ended December 31,		
(in millions)	**2025**	**2024**	**2023**
Current Income Tax Expense			
Federal	**$ 10.1**	$ 3.7	$ 14.7
State	**13.9**	2.7	5.5
Other	**(0.5)**	(0.4)	—
Total current income tax expense	**23.5**	6.0	20.2
Deferred Income Tax Expense			
Federal	**29.4**	29.3	7.8
State	**(0.2)**	7.9	0.1
Total deferred income tax expense	**29.2**	37.2	7.9
Total Income Tax Expense	**$ 52.7**	$ 43.2	$ 28.1

The Company has elected to retrospectively adopt the guidance in ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Taxes Disclosures, or ASU 2023-09. The following table is a reconciliation of the U.S. federal statutory rate of 21.0 percent to the Company's effective rate for the year ended December 31, 2025, and as previously disclosed for the years ended December 31, 2024 and 2023 in accordance with the guidance in ASU No. 2023-09:

	For the Year Ended December 31,					
(dollars in millions)	**2025**		**2024**		**2023**	
Reconciliation of Effective Income Tax Rate						
Income before income taxes	**$ 193.0**		$ 161.8		$ 115.3	
U.S. federal tax at statutory rate	**40.5**	**21.0 %**	34.0	21.0 %	24.2	21.0 %
Reconciling Items:						
State and local income taxes, net of federal income tax effect	**10.8**	**5.6 %**	8.4	5.2 %	4.4	3.8 %
Effects of changes in tax laws or rates enacted in the current period	**—**	**— %**	—	— %	(2.5)	(2.1)%
Nontaxable or nondeductible items:						
Other	**1.4**	**0.7 %**	0.8	0.5 %	2.0	1.7 %
Income Taxes and Effective Income Tax Rate	**$ 52.7**	**27.3 %**	$ 43.2	26.7 %	$ 28.1	24.4 %

(in millions)	As of December 31, 2025	2024
Deferred Income Taxes		
Deferred income tax liabilities:		
Property, plant and equipment	**$ 318.8**	$ 289.7
Acquisition adjustment	**4.9**	5.2
Deferred gas costs	**4.7**	2.5
Natural gas conversion costs	**4.4**	4.6
Storm reserve liability	**5.8**	5.8
Intangible assets	**16.0**	6.4
Other	**6.5**	8.4
Total deferred income tax liabilities	**361.1**	322.6
Deferred income tax assets:		
Pension and other employee benefits	**6.5**	5.1
Net operating loss carryforwards	**9.0**	1.1
Investment tax credits	**9.0**	—
Accrued expenses	**4.6**	4.0
Regulatory asset	**7.6**	6.0
Other	**11.1**	10.3
Total deferred income tax assets	**47.8**	26.5
Deferred Income Taxes	**$ 313.3**	$ 296.1

Cash payments of U.S. federal and state income taxes, net of refunds, were as follows:

(in millions)	For the Year Ended December 31, 2025	2024	2023
Net cash paid for income taxes consisted of the following:			
Cash payments of federal income taxes, net	**$ 8.5**	$ 1.6	$ 19.0
Cash payments of state and local income taxes, net			
Aggregated state and local jurisdictions:	**0.3**	0.3	0.9
Disaggregated state and local jurisdictions:			
Delaware	**3.8**	3.0	0.4
Florida	**2.9**	2.7	0.9
Maryland	**0.5**	1.8	0.7
Total cash payments of U.S. federal and state income taxes (net of refunds)	**$ 16.0**	$ 9.4	$ 21.9

12. LONG-TERM DEBT

Our outstanding long-term debt is shown below:

(in millions)	As of December 31, 2025	2024
Uncollateralized Senior Notes:		
5.68% notes, due June 2026	**$ 2.9**	$ 5.8
6.39% notes, due December 2026	**100.0**	100.0
6.44% notes, due December 2027	**100.0**	100.0
6.43% notes, due May 2028	**2.1**	2.8
4.88% notes, due August 2028	**60.0**	—
3.73% notes, due December 2028	**6.0**	8.0
6.45% notes, due December 2028	**100.0**	100.0
3.88% notes, due May 2029	**20.0**	25.0
5.20% notes, due November 2029	**100.0**	100.0
5.02% notes, due September 2030	**50.0**	—
6.62% notes, due December 2030	**100.0**	100.0
5.16% notes, due August 2031	**90.0**	—
3.25% notes, due April 2032	**45.5**	52.5
6.71% notes, due December 2033	**100.0**	100.0
2.98% notes, due December 2034	**63.0**	70.0
3.00% notes, due July 2035	**50.0**	50.0
2.96% notes, due August 2035	**40.0**	40.0
2.49% notes, due January 2037	**50.0**	50.0
5.43% notes, due March 2038	**80.0**	80.0
3.48% notes, due May 2038	**50.0**	50.0
3.58% notes, due November 2038	**50.0**	50.0
6.73% notes, due December 2038	**50.0**	50.0
3.98% notes, due August 2039	**100.0**	100.0
2.95% notes, due March 2042	**50.0**	50.0
Equipment security note		
2.46% note, due September 2031	**5.8**	6.7
Less: debt issuance costs	**(3.6)**	(3.6)
Total long-term debt	**1,461.7**	1,287.2
Less: current maturities	**(134.6)**	(25.5)
Total long-term debt, net of current maturities	**$ 1,327.1**	$ 1,261.7

Terms of the Senior Notes

All of our outstanding Senior Notes set forth certain business covenants to which we are subject when any note is outstanding, including covenants that limit or restrict our ability, and the ability of our subsidiaries, to incur indebtedness, or place or permit liens and encumbrances on any of our property or the property of our subsidiaries.

Senior Notes

In August 2025, we entered into a Note Purchase Agreement for the issuance of Senior Notes in the aggregate principal amount of $200.0 million with an initial funding of $150.0 million in August 2025 and an additional $50.0 million in September 2025. These Senior Notes have an average interest rate of 5.04 percent consisting of $60.0 million of 4.88 percent notes due in August 2028, $50.0 million of 5.02 percent notes due in September 2030, and $90.0 million of 5.16 percent notes due in August 2031. The proceeds received were used to reduce short-term borrowings under our Revolver and to fund capital expenditures. The outstanding principal balance of the Senior Notes will be due on their respective maturity dates with interest payments payable semiannually beginning in 2026 until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

On November 1, 2024, we issued 5.20 percent Senior Notes due in November 2029 in the aggregate principal amount of $100.0 million. The proceeds received were used to reduce short-term borrowings under our Revolver and to fund capital expenditures. These Senior Notes have similar covenants and default provisions as our other Senior Notes, and have semi-annual interest payments due on May 1 and November 1 of each year beginning in 2025.

On November 20, 2023, we issued Senior Notes in the aggregate principal amount of $550.0 million at an average interest rate of 6.54 percent that were used to partially finance our acquisition of FCG. These notes have varying maturity dates of between three and 15 years, and the outstanding principal balance of the notes (net of annual payments on the 6.73 percent notes which begin in 2029) will be due on their respective maturity dates with interest payments payable semiannually until the principal has been paid in full. These Senior Notes have similar covenants and default provisions as our other Senior Notes.

Annual maturities and principal repayments of long-term debt are as follows:

Year	2026	2027	2028	2029	2030	Thereafter	Total
(in millions)							
Payments	$ 134.6	$ 131.7	$ 196.7	$ 157.0	$ 212.0	$ 633.3	$ 1,465.3

Shelf Agreements

We have entered into Shelf Agreements with Prudential and MetLife, however neither of such lenders have any obligation to purchase debt thereunder. We amended these agreements with Prudential and MetLife in February 2026 and June 2025, respectively, to expand the total borrowing capacity and extend the term of the agreements. As of the February 2026 amendment, a total of $343.3 million of borrowing capacity was available under these agreements with terms that extend through February 2029 and June 2030, respectively.

13. SHORT-TERM BORROWINGS

As of December 31, 2025, we are authorized by our BOD to borrow up to $450.0 million of short-term debt, as required. At December 31, 2025 and 2024, we had $158.0 million and $196.5 million, respectively, of short-term borrowings outstanding at a weighted average interest rate of 4.73 percent and 5.06 percent, respectively. There were no borrowings outstanding under the sustainable investment sublimit of the 364-day tranche at December 31, 2025.

In August 2024, we amended and restated our revolving credit agreement, which increased the total borrowing capacity under the Revolver to $450.0 million, including $250.0 million available under the 364-day tranche and $200.0 million available under the five-year tranche which expires in August 2029. In August 2025, we exercised an option under the Revolver to extend the 364-day tranche through August 2026. All other terms and conditions of the agreement remain unchanged. We may also request increases under the Revolver of up to $50.0 million under the 364-day tranche and up to $100.0 million under the five-year tranche, with the lenders having sole discretion of whether to approve each requested increase. Borrowings under both tranches of the Revolver continue to be subject to a pricing grid, including the commitment fee and the interest rate charged based upon our total indebtedness to total capitalization ratio for the prior quarter. The 364-day tranche continues to bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.05 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion. The five-year tranche continues to bear interest (i) based upon the SOFR, plus a 10-basis point credit spread adjustment, and an applicable margin of 1.25 percent or less, with such margin based on total indebtedness as a percentage of total capitalization or (ii) the base rate, solely at our discretion.

We also utilize interest rate swaps to manage rate risk under our Revolver. For additional information on interest rate swaps, including swaps currently in place related to our short-term borrowings, see Note 8, *Derivative Instruments*.

The availability of funds under the Revolver is subject to conditions specified in the credit agreement, all of which we currently satisfy. These conditions include our compliance with financial covenants and the continued accuracy of representations and warranties contained in the Revolver's loan documents. We are required by the financial covenants in the Revolver to maintain, at the end of each fiscal year, a funded indebtedness ratio of no greater than 65 percent. As of December 31, 2025, we are in compliance with this covenant.

Our total available credit under the Revolver at December 31, 2025 was $287.2 million. As of December 31, 2025, we had issued $4.8 million in letters of credit to various counterparties under the Revolver. These letters of credit are not included in the outstanding short-term borrowings and we do not anticipate that they will be drawn upon by the counterparties. The letters of credit reduce the available borrowings under the Revolver.

14. Stockholders' Equity

Common Stock Issuances

In November 2023, in connection with our acquisition of FCG, we completed an overnight offering resulting in the issuance of 4.4 million shares of our common stock at a price per share of $82.72 (net of underwriter discounts and commissions). We received net proceeds of $366.4 million which were used to partially finance the acquisition.

We maintain effective shelf registration statements with the SEC for the issuance of common stock in various types of equity offerings, including pursuant to our DRIP and ATM program. Depending on our capital needs and subject to market conditions, we may issue additional shares under the direct stock purchase component of the DRIP in addition to other possible debt and equity offerings. In November 2024, we established a new ATM program under which we may sell shares of our common stock up to an aggregate offering price of $100.0 million. This current ATM program is active through November 2027. For the years ended December 31, 2025 and 2024, we received net proceeds of $123.2 million and $72.5 million, respectively, associated with shares issued under the DRIP and our ATM program.

Accumulated Other Comprehensive Income (Loss)

Defined benefit pension and postretirement plan items, unrealized gains (losses) of our propane swap agreements designated as commodity contract cash flow hedges, and the unrealized gains (losses) of our interest rate swap agreements designated as cash flow hedges are the components of our accumulated other comprehensive income (loss). The following tables present the changes in the balances of accumulated other comprehensive income (loss) components for the years ended December 31, 2025 and 2024. All amounts in the following tables are presented net of tax.

	Defined Benefit Pension and Postretirement Plan Items	Commodity Contract Cash Flow Hedges	Interest Rate Swap Cash Flow Hedges	Total
(in millions)				
As of December 31, 2023	**$ (2.6)**	**$ (0.3)**	**$ 0.1**	**$ (2.8)**
Other comprehensive income (loss) before reclassifications	0.5	1.4	0.5	2.4
Amounts reclassified from accumulated other comprehensive income (loss)	—	(0.7)	(0.6)	(1.3)
Net current-period other comprehensive income (loss)	0.5	0.7	(0.1)	1.1
As of December 31, 2024	**(2.1)**	**0.4**	**—**	**(1.7)**
Other comprehensive income (loss) before reclassifications	0.4	(0.5)	(0.3)	(0.4)
Amounts reclassified from accumulated other comprehensive income (loss)	—	(0.4)	(0.2)	(0.6)
Net current-period other comprehensive income (loss)	0.4	(0.9)	(0.5)	(1.0)
As of December 31, 2025	**$ (1.7)**	**$ (0.5)**	**$ (0.5)**	**$ (2.7)**

Deferred gains or losses for our commodity contract and interest rate swap cash flow hedges are recognized in earnings upon settlement and are included in the effects of gains and losses from derivative instruments. See Note 8, *Derivative Instruments*, for additional details. Amortization of the net loss related to the defined benefit pension plan and postretirement plans is included in the computation of net periodic costs (benefits). See Note 15, *Employee Benefit Plans*, for additional details.

15. Employee Benefit Plans

We measure the assets and obligations of the defined benefit pension plans and other postretirement benefits plans to determine the plans' funded status as of the end of the year. The changes in funded status that occurred during the year that are not recognized as part of net periodic benefit costs are recorded as a component of other comprehensive income (loss) or a regulatory asset.

Defined Benefit Pension Plans

At December 31, 2025 we sponsored two defined benefit pension plans: the FPU Pension Plan and the Chesapeake Supplemental Executive Retirement Plan ("SERP").

The FPU Pension Plan, a qualified plan, covers eligible FPU non-union employees hired before January 1, 2005 and union employees hired before the respective union contract expiration dates in 2005 and 2006. The FPU Pension Plan was frozen with respect to additional years of service and compensation, effective December 31, 2009.

The Chesapeake SERP, a nonqualified plan, is comprised of two sub-plans. The first sub-plan was frozen with respect to additional years of service and additional compensation as of December 31, 2004. The second sub-plan provides fixed payments for several executives who joined the Company as a result of an acquisition and whose agreements with the Company provided for this benefit.

The funded position for all plans at both December 31, 2025 and 2024, is included in the other pension and benefit costs liability in our consolidated balance sheets.

The following schedules set forth the funded status at December 31, 2025 and 2024 and the net periodic cost (benefit) for the years ended December 31, 2025, 2024 and 2023 for the FPU Pension Plan and the Chesapeake SERP:

	FPU Pension Plan		Chesapeake SERP	
	2025	**2024**	**2025**	**2024**
(in millions)				
Change in benefit obligation:				
Benefit obligation — beginning of year	**$ 45.5**	$ 49.7	**$ 1.5**	$ 1.6
Interest cost	**2.4**	2.4	**0.1**	0.1
Actuarial (gain) loss	**0.6**	(2.0)	**(0.1)**	—
Benefits paid	**(3.5)**	(4.6)	**(0.2)**	(0.2)
Benefit obligation — end of year	**45.0**	45.5	**1.3**	1.5
Change in plan assets:				
Fair value of plan assets — beginning of year	**49.1**	49.5	**—**	—
Actual return on plan assets	**4.4**	4.2	**—**	—
Employer contributions	**—**	—	**0.2**	0.2
Benefits paid	**(3.5)**	(4.6)	**(0.2)**	(0.2)
Fair value of plan assets — end of year	**50.0**	49.1	**—**	—
Accrued pension funded status	**$ 5.0**	$ 3.6	**$ (1.3)**	$ (1.5)
Assumptions:				
Discount rate	**5.25 %**	5.50 %	**4.98 %**	5.40 %
Expected return on plan assets	**5.50 %**	6.00 %	**— %**	— %

	FPU Pension Plan			Chesapeake SERP		
For the Year Ended December 31,	**2025**	**2024**	**2023**	**2025**	**2024**	**2023**
(in millions)						
Components of net periodic pension (benefit) cost:						
Interest cost	**$ 2.4**	$ 2.4	$ 2.5	**$ 0.1**	$ 0.1	$ 0.1
Expected return on assets	**(2.6)**	(2.9)	(2.7)	**—**	—	—
Amortization of actuarial loss	**0.1**	0.3	0.4	**—**	—	—
Total periodic (benefit) cost	**$ (0.1)**	$ (0.2)	$ 0.2	**$ 0.1**	$ 0.1	$ 0.1
Assumptions:						
Discount rate	**5.50 %**	5.00 %	5.25 %	**5.40 %**	4.88 %	5.00 %
Expected return on plan assets	**5.50 %**	6.00 %	6.00 %	**— %**	— %	— %

Our funding policy provides that payments to the trust of each qualified plan shall be equal to at least the minimum funding requirements of the Employee Retirement Income Security Act of 1974. The following schedule summarizes the allocation of assets of the FPU Pension Plan, by investment type, at December 31, 2025, 2024 and 2023:

	FPU Pension Plan		
At December 31,	**2025**	**2024**	**2023**
Asset Category			
Equity securities	**15 %**	31 %	50 %
Debt securities	**84**	67	49
Other	**1**	2	1
Total	**100 %**	100 %	100 %

The investment policy of the FPU Pension Plan was traditionally designed to provide the capital assets necessary to meet the financial obligations of the plan. As of December 31, 2025, the plan was overfunded at approximately 110 percent. As the Company evaluates options for a termination of the FPU Pension Plan and related settlement of the plan's obligations, the investment strategy was adjusted in January 2026 to emphasize capital preservation and liability matching. The portfolio has been transitioned toward a liability-driven approach with increased allocation to long-term, high-quality fixed income securities and cash equivalents, and the elimination of equities (as detailed below). The following target allocation of asset classes, which was approved and implemented in January 2026, is intended to minimize funded status volatility and to align the plan's assets with anticipated annuity purchase requirements and termination related liquidity needs.

Asset Allocation Strategy

Asset Class	**Target**	**Range (+/-)**
Fixed Income (Inflation Bond and Taxable Fixed Income funds)	90 %	5 %
Cash	10 %	5 %

At December 31, 2025 and 2024, the assets of the FPU Pension Plan (prior to the previously mentioned change in asset allocation strategy) were comprised of the following investments:

	As of December 31,	
Asset Category	**2025**	**2024**
(in millions)		
Mutual Funds - Equity securities		
U.S. Large Cap [1]	**$ 5.1**	$ 10.6
U.S. Mid Cap [1]	**1.3**	3.2
U.S. Small Cap [1]	**—**	—
International [2]	**1.3**	1.3
	7.7	15.1
Mutual Funds - Debt securities		
Fixed income [3]	**41.9**	32.8
	41.9	32.8
Mutual Funds - Other		
Guaranteed deposit [4]	**0.4**	1.2
	0.4	1.2
Total Pension Plan Assets at fair value [5]	**$ 50.0**	$ 49.1

[1] Includes funds that invest primarily in United States common stocks.
[2] Includes funds that invest primarily in foreign equities and emerging markets equities.
[3] Includes funds that invest in fixed income securities.
[4] Includes investment in a group annuity product issued by an insurance company.
[5] All investments in the FPU Pension Plan are classified as Level 1 within the Fair Value hierarchy exclusive of the Guaranteed Deposit Account which is classified as Level 3.

At December 31, 2025 and 2024, our pension plan investments were classified under the same fair value measurement hierarchy (Level 1 through Level 3) described under Note 9, *Fair Value of Financial Instruments*. The Level 3 investments were recorded at fair value based on the contract value of annuity products underlying guaranteed deposit accounts, which was calculated using discounted cash flow models. The contract value of these products represented deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees. Certain investments that were measured at net asset value per share have not been classified in the fair value hierarchy and are presented in the table above to reconcile to total pension plan assets.

The changes in the fair value within our pension assets for Level 3 investments for the years ended December 31, 2025 and 2024 were not material.

Other Postretirement Benefits Plans

We sponsor two unfunded defined benefit postretirement health plans: the Chesapeake Utilities Postretirement Plan ("Chesapeake Postretirement Plan") and the FPU Medical Plan. The total obligations of these plans, as well as the net periodic benefit costs, were not material as of and for the years ended December 31, 2025 and 2024, respectively.

Amounts Not Yet Reflected in Periodic Benefit Cost

As of December 31, 2025, there was $7.6 million not yet reflected in net periodic postretirement benefit costs and included in the Company's consolidated balance sheets as accumulated other comprehensive income (loss) or as a regulatory asset. Net losses of $5.8 million and $1.1 million attributable to the FPU Pension Plan and Chesapeake Postretirement Plan, respectively, comprised most of this amount with $2.2 million recorded in accumulated other comprehensive income (loss) and $4.7 million recorded as a regulatory asset at December 31, 2025.

Pursuant to a Florida PSC order, FPU continues to record as a regulatory asset the portion of the unrecognized pension and postretirement benefit costs after the merger with Chesapeake Utilities related to its regulated operations.

Assumptions

The assumptions used for the discount rate to calculate the benefit obligations were based on the interest rates of high-quality bonds in 2025, considering the expected lives of each of the plans. In determining the average expected return on plan assets for the FPU Pension Plan, various factors, such as historical long-term return experience, investment policy and current and expected allocation, were considered. Since the FPU Pension Plan is frozen with respect to additional years of service and compensation, the rate of assumed compensation increases is not applicable.

The health care inflation rate for 2025 used to calculate the benefit obligation is 5 percent for medical and 6 percent for prescription drugs for the Chesapeake Postretirement Plan; and 5 percent for both medical and prescription drugs for the FPU Medical Plan.

Estimated Future Benefit Payments

In 2026, we do not expect to contribute to the FPU Pension Plan, and total payments of $0.2 million are expected for the Chesapeake SERP, Chesapeake Postretirement Plan and FPU Medical Plan combined.

The schedule below shows the estimated future benefit payments for the FPU Pension Plan (estimated payments related to the Chesapeake SERP, Chesapeake Postretirement Plan and FPU Medical Plan are not material) assuming continuation of the plan. A termination of the plan and related settlement of its obligations would accelerate the timing of payments estimated below.

(in millions)		**FPU Pension Plan [1]**
2026	$	3.6
2027	$	3.6
2028	$	3.7
2029	$	3.6
2030	$	3.6
Years 2031 through 2035	$	17.2

[1] The pension plan is funded; therefore, benefit payments are expected to be paid out of the plan assets.

Retirement Savings Plan

We sponsor a 401(k) Retirement Savings Plan which is offered to all eligible employees who have completed three months of service. We match 100 percent of eligible participants' pre-tax contributions to the Retirement Savings Plan up to a maximum of six percent of eligible compensation. The employer matching contribution is made in cash and is invested based on a participant's investment directions. In addition, we may make a discretionary supplemental contribution to participants in the plan, without regard to whether or not they make pre-tax contributions. Any supplemental employer contribution is generally made in our common stock. With respect to the employer match and supplemental employer contribution, employees are 100 percent vested after two years of service or upon reaching 55 years of age while still employed by us. New employees who do not make an election to contribute and do not opt out of the Retirement Savings Plan will be automatically enrolled at a deferral rate of three percent, and the automatic deferral rate will increase by one percent per year up to a maximum of ten percent. All contributions and matched funds can be invested among the mutual funds available for investment.

Employer contributions to our Retirement Savings Plan totaled $9.1 million, $8.4 million, and $6.6 million for the years ended December 31, 2025, 2024 and 2023, respectively. As of December 31, 2025, there were 788,495 shares of our common stock reserved to fund future contributions to the Retirement Savings Plan.

Non-Qualified Deferred Compensation Plan

Members of our BOD and officers of the Company are eligible to participate in the Non-Qualified Deferred Compensation Plan. Directors can elect to defer any portion of their cash or stock compensation and officers can defer up to 80 percent of their base compensation, cash bonuses or any amount of their stock bonuses (net of required withholdings). Officers may receive a matching contribution on their cash compensation deferrals up to six percent of their compensation, provided it does not duplicate a match they receive in the Retirement Savings Plan. Stock bonuses are not eligible for matching contributions. Participants are able to elect the payment of deferred compensation to begin on a specified future date or upon separation from service. Additionally, participants can elect to receive payments upon the earlier or later of a fixed date or separation from service. The payments can be made in one lump sum or annual installments for up to 15 years.

All obligations arising under the Non-Qualified Deferred Compensation Plan are payable from our general assets, although we have established a Rabbi Trust to informally fund the plan. Deferrals of cash compensation may be invested by the participants in various mutual funds (the same options that are available in the Retirement Savings Plan). The participants are credited with gains or losses on those investments. Deferred stock compensation may not be diversified. The participants are credited with dividends on their deferred common stock units in the same amount that is received by all other stockholders. Such dividends are reinvested into additional deferred common stock units. Assets held in the Rabbi Trust, recorded as Investments on the consolidated balance sheets, had a fair value of $17.2 million and $14.4 million at December 31, 2025 and 2024, respectively. The assets of the Rabbi Trust are at all times subject to the claims of our general creditors.

Deferrals of officer base compensation and cash bonuses and directors' cash retainers are paid in cash. All deferrals of executive performance shares and directors' stock retainers are made in the form of deferred common stock units and are paid out in shares of our common stock, on a one-for-one basis, except that cash is paid in lieu of fractional shares. The value of our stock held in the Rabbi Trust is classified within the stockholders' equity section of the consolidated balance sheets and has been accounted for in a manner similar to treasury stock. The amounts recorded under the Non-Qualified Deferred Compensation Plan totaled $12.6 million and $9.8 million at December 31, 2025 and 2024, respectively, which are also shown as a deduction against stockholders' equity in the consolidated balance sheets.

16. Share-Based Compensation Plans

Our key employees and non-employee directors have been granted share-based awards through our SICP, which has awards outstanding under the current 2023 plan and the previous 2013 plan. We record these share-based awards as compensation costs over the respective service period for which services are received in exchange for an award of equity or equity-based compensation. The compensation cost is based primarily on the fair value of the shares awarded, using the estimated fair value of each share on the date it was granted, and the number of shares expected to be issued at the end of the service period. We have 488,457 shares of common stock reserved for issuance under the SICP.

The table below presents the amounts included in net income related to share-based compensation expense for the awards granted under the SICP for the years ended December 31, 2025, 2024 and 2023:

	For the Year Ended December 31,		
	2025	**2024**	**2023**
(in millions)			
Awards to key employees	**$ 7.6**	$ 7.5	$ 6.7
Awards to non-employee directors	**0.9**	0.9	0.9
Total compensation expense	**8.5**	8.4	7.6
Less: tax benefit	**(2.2)**	(2.2)	(1.9)
Share-based compensation expense included in net income	**$ 6.3**	$ 6.2	$ 5.7

Officers and Key Employees

Our Compensation Committee is authorized to grant our key employees the right to receive awards of shares of our common stock, contingent upon the achievement of established performance goals and subject to SEC transfer restrictions once awarded. Our President and CEO has the right to issue awards of shares of our common stock, to other officers and key employees of the Company, contingent upon various performance goals and subject to SEC transfer restrictions.

We currently have several outstanding multi-year performance awards under various plans, which are based upon the successful achievement of long-term goals, growth and financial results and comprise both market-based and performance-based conditions and targets. The fair value per share, tied to a performance-based condition or target, is equal to the market price per share on the grant date. For the market-based conditions, we used a Monte Carlo valuation to estimate the fair value of each share granted.

The table below presents the summary of the stock activity for awards to all officers and key employees:

(in thousands, except per share data)	Number of Shares	Weighted Average Fair Value
Outstanding — December 31, 2023	**213**	**$ 117.74**
Granted	110	105.21
Vested	(43)	103.95
Expired	(27)	86.24
Forfeited	—	—
Outstanding — December 31, 2024	**253**	**117.96**
Granted	100	125.56
Vested	(37)	129.76
Expired	(26)	113.34
Forfeited	—	—
Outstanding — December 31, 2025	**290**	**$ 115.63**

During the year ended December 31, 2025, we granted awards of 100 thousand shares of common stock to officers and key employees under the SICP, including awards granted in February 2025. The shares granted are multi-year awards that will vest no later than the three-year service period ending December 31, 2027.

The aggregate intrinsic value of the SICP awards granted was $36.2 million, $30.8 million, and $22.5 million at December 31, 2025, 2024 and 2023, respectively. At December 31, 2025, there was $7.2 million of unrecognized compensation cost related to these awards, which is expected to be recognized through 2027.

In March 2025, 2024 and 2023, upon the election by certain of our executive officers, we withheld shares with a value at least equivalent to each such executive officer's minimum statutory obligation for applicable income and other employment taxes related to shares that vested and were paid in March 2025, 2024 and 2023 for the performance periods ended December 31, 2024, 2023, and 2022. We paid the balance of such awarded shares to each such executive officer and remitted the cash equivalent of the withheld shares to the appropriate taxing authorities. The below table presents the number of shares withheld and amounts remitted:

	For the Year Ended December 31,		
(dollars in millions, shares in thousands)	**2025**	**2024**	**2023**
Shares withheld to satisfy tax obligations	**8**	14	20
Amounts remitted to tax authorities to satisfy obligations	**$ 1.0**	$ 1.5	$ 2.5

Non-employee Directors

Shares granted to non-employee directors are issued in advance of the directors' service periods and are fully vested as of the grant date. We record a deferred expense equal to the fair value of the shares issued and amortize the expense equally over a service period of one year or less.

Our directors receive an annual retainer of shares of common stock under the SICP for services rendered through the subsequent Annual Meeting of Stockholders. Accordingly, our directors that served on the Board as of May 2025 and 2024 each received approximately 1 thousand shares of common stock for the two periods, with a weighted average fair value of $134.05 and $110.53 per share, respectively.

At December 31, 2025, there was $0.3 million of unrecognized compensation expense related to shares granted to non-employee directors. This expense will be recognized over the remaining service period ending in May 2026.

17. Rates and Other Regulatory Activities

Our natural gas and electric distribution operations in Delaware, Maryland and Florida are subject to regulation by their respective PSC; Eastern Shore, our natural gas transmission subsidiary, is subject to regulation by the FERC; and Peninsula Pipeline and Aspire Energy Express, our intrastate pipeline subsidiaries, are subject to regulation (excluding cost of service) by the Florida PSC and Public Utilities Commission of Ohio, respectively.

Delaware

In September 2023, the Delaware Division submitted the Energy Efficiency Rider application for natural gas with the Delaware PSC after obtaining an affirmative recommendation from the Delaware Energy Efficiency Advisory Council ("EEAC"). The application is the first in the state and applies to a portfolio of four programs in which customers can participate (and allow for recovery), including Home Energy Counseling, Home Performance with Energy Star, Assisted Home Performance with Energy Star, and a Standard Offer Program. In April 2024, all programs, with the exception of the Standard Offer Program, were approved by the PSC and rates became effective May 1, 2024.

Delaware Natural Gas Rate Case: In August 2024, our Delaware natural gas division filed an application for a natural gas rate case with the Delaware PSC. In connection with the application, we sought approval of the following: (i) permanent rate relief of approximately $12.1 million with a ROE of 11.5 percent; (ii) proposed changes to depreciation rates which were part of a depreciation study also submitted with the filing; and (iii) authorization to make certain changes to tariffs. Annualized interim rates were approved by the Delaware PSC in the amount of $2.5 million and became effective in October 2024. A settlement among the Company, PSC staff and the Delaware Division of the Public Advocate was reached and approved by the Delaware PSC in June 2025 providing an annual revenue increase of $6.1 million, as well as dividing the rate case into two phases. Rates set to recover the approved components of the increase were effective in March 2025. In October 2025, a settlement was reached for Phase II of the rate case addressing tariff-related changes including rate design and approved by the Delaware Public Service Commission with rates effective as of October 15, 2025.

Maryland

Maryland Natural Gas Rate Case: In January 2024, our natural gas distribution businesses in Maryland, CUC-Maryland Division, Sandpiper Energy, Inc., and Elkton Gas Company (collectively, "Maryland natural gas distribution businesses") filed a joint application for a natural gas rate case with the Maryland PSC. In connection with the application, we sought approval of the following: (i) permanent rate relief of approximately $6.9 million with a ROE of 11.5 percent; (ii) authorization to make certain changes to tariffs to include a unified rate structure and to consolidate the Maryland natural gas distribution businesses; and (iii) authorization to establish a rider for recovery of the costs associated with our new technology systems. In August 2024, the Maryland natural gas distribution businesses, the Maryland OPC and PSC Staff reached a settlement agreement which provided for, among other things, an increase in annual base rates of $2.6 million. In September 2024, the Maryland Public Utility Judge issued an order approving the settlement agreement in part. The $2.6 million increase in annual base rates was approved, and the Company filed the Phase II filing in November 2024 to determine rate design across the Maryland natural gas distribution businesses, consolidation of the applicable tariffs and recovery of technology costs. The hearing was held in March 2025, during which Phase II was approved, including an additional $0.9 million in revenue requirement for a total cumulative increase of $3.5 million. A final order was issued in April 2025 and included approval of the consolidation of the operations and the assets of CUC-Maryland Division, Sandpiper Energy, and Elkton Gas into one entity, which was renamed and operates as Chesapeake Utilities of Maryland, Inc.

Maryland Natural Gas Depreciation Study: In January 2024, our Maryland natural gas distribution businesses filed a joint petition for approval of their proposed unified depreciation rates with the Maryland PSC. A settlement agreement between the Company, PSC staff and the OPC was reached and the final order approving the settlement agreement went into effect in July 2024, with new depreciation rates effective as of January 1, 2023. The approved depreciation resulted in an annual reduction in depreciation expense of approximately $1.2 million.

Florida

Wildlight Expansion: In August 2022, Peninsula Pipeline and FPU filed a joint petition with the Florida PSC for approval of its Transportation Service Agreement associated with the Wildlight planned community located in Nassau County, Florida. The petition was approved by the Florida PSC in November 2022. The project enables us to meet the significant growing demand for service in Yulee, Florida, and to construct the project during the build-out of the community and charge the reservation rate as each phase of the project goes into service. Construction of the pipeline facilities will occur in two separate phases. Phase one consists of three extensions with associated facilities, and a gas injection interconnect with associated facilities. Phase two will consist of two additional pipeline extensions. The various phases of the project commenced in the first quarter of 2023, and construction was completed in 2025.

FCG Natural Gas Rate Case: In May 2022, FCG filed a general base rate increase with the Florida PSC based on a projected 2023 test year. In June 2023, the Florida PSC issued an order approving a single total base revenue increase of $23.3 million (which included an incremental increase of $14.1 million, a previously approved increase of $3.8 million for a liquefied natural gas facility, and $5.3 million to transfer the SAFE investments from a rider clause to base rates), with new rates becoming effective as of May 1, 2023. The Florida PSC also approved FCG's proposed RSAM with a $25.0 million reserve amount, continuation and expansion of the capital SAFE program, implementation of an automated metering infrastructure pilot, and continuation of the storm damage reserve with a target reserve of $0.8 million. The Florida OPC filed a notice of appeal with the Florida Supreme Court in July 2023, which is pending. The Florida OPC filed their initial brief in January 2024 with answer briefs filed in April 2024. Oral arguments in the case were held in December 2024. The Florida Supreme Court has yet to rule on the case.

The RSAM was recorded as either an increase or decrease to accrued removal costs which is reflected on the Company's balance sheets and a corresponding increase or decrease to depreciation and amortization expense. In order to earn the targeted regulatory ROE in each reporting period subject to the conditions of the effective rate agreement, RSAM was calculated using a trailing thirteen-month average of rate base and capital structure in conjunction with the trailing twelve month regulatory base net operating income, which primarily included the base portion of rates and other revenues, net of operations and maintenance expenses, depreciation and amortization, interest and tax expenses. In general, the net impact of these income statement line items was adjusted, in part, by RSAM or its reversal to earn the targeted regulatory ROE. For the years ended December 31, 2024 and 2023, the Company recorded decreases to asset removal costs and depreciation expense of $15.5 million and $5.1 million, respectively, as a result of the RSAM adjustment. At December 31, 2024, the RSAM reserve had been completely utilized.

FCG Depreciation Study: In February 2025, FCG filed a depreciation study with the Florida PSC. The application requested approval of revised annual depreciation rates, as well as a reduction related to a reserve imbalance that would be amortized over a two-year period. The outcome of the application was subject to review and approval by the Florida PSC. In February 2026, the Florida PSC approved a $6.8 million reserve imbalance to be amortized over the remaining life of the assets, with the revised depreciation rates effective as of January 1, 2025.

Storm Protection Plan: In 2020, the Florida PSC implemented the Storm Protection Plan ("SPP") and Storm Protection Plan Cost Recovery Clause ("SPPCRC") rules, which requires electric utilities to petition the Florida PSC for approval of a Transmission and Distribution Storm Protection Plan that covers the utility's immediate 10-year planning period with updates to the plan at least every 3 years. The SPPCRC rules allow the utility to file for recovery of associated costs for the SPP. Our Florida electric distribution operation's initial SPP plan was filed and approved in 2022, with modifications, by the Florida PSC. Rates associated with this initiative were effective in January 2023. In October 2024, the Florida PSC approved the Company's projected 2025 SPP costs of $20.4 million for both capital and operating expenses. Our Florida electric distribution operations filed an updated SPP plan in January 2025 which was approved in June 2025, with modifications by the Florida PSC.

GUARD: In February 2023, FPU filed a petition with the Florida PSC for approval of the GUARD program. GUARD is a ten-year program to enhance the safety, reliability, and accessibility of portions of our natural gas distribution system. We identified various categories of projects to be included in GUARD, which include the relocation of mains and service lines located in rear easements and other difficult to access areas to the front of the street, the replacement of problematic distribution mains, service lines, and maintenance and repair equipment and system reliability projects. In August 2023, the Florida PSC approved the GUARD program, which included $205.0 million of capital expenditures projected to be spent over a 10-year period.

FCG SAFE Program: In June 2023, the Florida PSC issued the approval order for the continuation of the SAFE program beyond its 2025 expiration date and inclusion of 150 miles of additional mains and services located in rear property easements. The SAFE program is designed to relocate certain mains and facilities associated with rear lot easements to street front locations to improve FCG's ability to inspect and maintain the facilities and reduce opportunities for damage and theft. In the same order, the Florida PSC approved a replacement of 160 miles of pipe that was used in the 1970s and 1980s and shown through industry research to exhibit premature failure in the form of cracking. The program includes projected capital expenditures of $205.0 million over a 10-year period.

In April 2024, FCG filed a petition with the Florida PSC to more closely align the SAFE Program with FPU's GUARD program. Specifically, the requested modifications will enable FCG to accelerate remediation related to problematic pipes and facilities consisting of obsolete and exposed pipes. These efforts will serve to improve the safety and reliability of service to FCG's customers and the modifications will increase the total projected capital expenditures to $50.0 million in capital expenditures associated with the SAFE Program, which would increase the total projected capital expenditures to approximately $255.0 million over a 10-year period. The Florida PSC approved the modifications in September 2024.

Newberry Expansion: In April 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreement with FPU for an additional 8,000 Dt/d of firm service in the Newberry, Florida area. The petition was approved by the Florida PSC in the third quarter of 2023. Peninsula Pipeline will construct a pipeline extension, which will be used by FPU to support the development of a natural gas distribution system to provide gas service to the City of Newberry. A

filing to address the acquisition and conversion of existing Company owned propane community gas systems in Newberry was made in November 2023. The Florida PSC approved it in April 2024. Conversions of the community gas systems commenced in the second quarter of 2024 and are projected to be complete in the first quarter of 2026.

East Coast Reinforcement Projects: In December 2023, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will provide additional supply to coastal communities on the East Coast of Florida, which are experiencing significant population growth. Peninsula Pipeline proposed several pipeline extensions to support FPU's distribution system in the areas of Boynton Beach and New Smyrna Beach with an additional 15,000 Dts/d and 3,400 Dts/d, respectively. The Florida PSC approved the projects in March 2024. New Smyrna Beach was placed into service during May 2025 and construction is projected to be complete for Boynton Beach in the second quarter of 2026.

Central Florida Reinforcement Projects: In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of its Transportation Service Agreements with FPU for projects that will support additional supply to communities located in Central Florida which are also experiencing significant population growth. Peninsula Pipeline's extensions support FPU's distribution system around the Plant City and Lake Mattie areas of Florida with an additional 5,000 Dts/d and 8,700 Dts/d, respectively. The Florida PSC approved the projects in March 2024. The Plant City project was completed in the fourth quarter of 2024, and the Lake Mattie project went into service in July 2025.

Renewable Natural Gas Supply Projects: In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of Transportation Service Agreements with FCG for projects that will support the transportation of additional renewable energy supply to FCG. The projects, located in Florida's Brevard, Indian River and Miami-Dade counties, will bring renewable natural gas produced from local landfills into FCG's natural gas distribution system. Peninsula Pipeline will construct several pipeline extensions which will support FCG's distribution system in Brevard County, Indian River County, and Miami-Dade County. Benefits of these projects include increased gas supply to serve expected FCG growth, strengthened system reliability and additional system flexibility. The Florida PSC approved the petition at its July 2024 meeting. In October 2025, the Florida PSC approved amendments to the Transportation Service Agreements that were filed to include Peninsula Pipeline as a party to the related interconnection agreements. The projects are underway and are estimated to be completed in the second half of 2026.

St. Cloud Project Amendment: In February 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of an amendment to its Transportation Service Agreement with FPU for a project that will support additional supply to communities in the St. Cloud, Florida area. The project is driven by the need to expand gas service to future communities that are expected in that area. Peninsula Pipeline will construct pipeline expansions that will allow FPU to serve the expected new growth. The expansion will provide FPU with an additional 10,000 Dts/d. The Florida PSC approved the project in May 2024, and it is expected to be complete in the second quarter of 2026.

Pioneer Supply Header Pipeline Project: In March 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of Firm Transportation Service Agreements with both FCG and FPU for a project that will support greater supply growth of natural gas service in southeast Florida. The project consists of the transfer of a pipeline asset from FCG to Peninsula Pipeline. Peninsula Pipeline will proceed to provide transportation service to both FCG and FPU using the pipeline asset, which supports continued customer growth and system reinforcement of these distribution systems. The Florida PSC approved the petition in July 2024 and the project was completed in September 2024.

Miami Inner Loop Projects: In September 2024, Peninsula Pipeline filed a petition with the Florida PSC for approval of the Transportation Service Agreement with FCG for a series of projects that will enhance gas infrastructure in Miami-Dade County. The proposed expansion consists of the development of several pipeline projects to support growth and FCG's distribution system, as well as enhance FCG's access to gas from various points in the Miami-Dade County area. The expansion was approved in February 2025 and interim services began in August 2025 with permanent facilities expected to be in service by the second quarter of 2026.

FPU Electric Rate Case: In August 2024, our Florida Electric division filed a petition with the Florida PSC seeking a general base rate increase of $12.6 million with a ROE of 11.3 percent based on a 2025 projected test year. Annualized interim rates of approximately $1.8 million, were approved with an effective date of November 1, 2024. In March 2025, the Florida PSC approved the permanent rate increase, but the order was subsequently protested. In May 2025, the Company reached a settlement agreement with the interested parties to resolve all outstanding issues. This settlement which was approved by the Florida PSC in July 2025, provides for a total base rate increase of approximately $8.6 million on an annual basis, with $1.0 million of the increase deferred from the first year's base rate increase and recovered over three years. A step-up rate increase was also approved for up to $0.7 million, upon completion of the purchase and refurbishment of certain substations, which is expected to be completed in December 2026.

Florida Mandatory Relocates: In October 2025, FPU and FCG filed a joint petition for approval to establish a recovery surcharge for actual, estimated and projected relocation costs pursuant to the Florida Administrative Code which enables companies to recover the costs associated with relocating or reconstructing facilities that have been required by governmental entities. The projected revenue requirement for 2026 is $0.5 million for FPU and $1.0 million for FCG. The Florida PSC approved the petition in February 2026, with the surcharge effective in March 2026.

Florida City Gas Rate Case: In February 2026, FCG provided notice to the Florida PSC of its intent to file a petition seeking a general rate base increase based on a 2027 projected test year. The rate case filing is expected to be submitted in April 2026 and the outcome of the application will be subject to review and approval by the Florida PSC.

Eastern Shore

Worcester Resiliency Upgrade: In August 2023, Eastern Shore filed an application with the FERC requesting authorization to construct the Worcester Resiliency Upgrade, which consists of a mixture of storage and transmission facilities in Sussex County, DE and Wicomico, Worcester, and Somerset Counties in Maryland. The project will provide long-term incremental supply necessary to support the growing demand of the participating shippers. In January 2025, the FERC approved the project.

In June 2025, Eastern Shore filed a limited amended application with the FERC requesting revised initial transportation rates for the project. The revised rates reflected increased capital costs associated with unanticipated changes in global markets and supply chains, including the availability of skilled laborers with the requisite certifications to work on this project. Eastern Shore requested expedited action by the FERC in relation to this matter and an approved order was issued in July 2025. Construction is underway and the project is expected to be placed into service in mid-2026.

Salisbury Integrity Project: Eastern Shore submitted a Prior Notice Filing under its Blanket Certificate to the FERC in March 2025 requesting to construct, own, operate, and maintain approximately 5.5 miles of 10-inch looping pipeline in Wicomico County, Maryland. The protest period terminated in May 2025 with no protests filed. The project is necessary to comply with pipeline integrity management regulations of the Pipeline and Hazardous Materials Safety Administration ("PHMSA"). The project went into service in October 2025.

Capital Cost Surcharge: In December 2025, Eastern Shore submitted a filing with the FERC regarding a capital cost surcharge to recover capital costs associated with the replacement of existing Eastern Shore facilities because of mandated highway relocation projects as well as compliance with PHMSA regulation. The capital cost surcharge mechanism was approved in Eastern Shore's last rate case. In conjunction with the filing of this surcharge, a cumulative adjustment to the existing surcharge to reflect additional depreciation was included. The FERC issued an order approving the surcharge as filed in December 2025. The combined revised surcharge became effective January 1, 2026.

In March 2025, Eastern Shore submitted an annual true-up filing with the FERC regarding a capital cost surcharge to recover capital costs associated with the replacement of existing Eastern Shore facilities because of mandated highway relocation projects as well as compliance with a PHMSA regulation. The capital cost surcharge mechanism was approved in Eastern Shore's last rate case. There was no impact to the currently effective surcharge as a result of this filing. The FERC issued an order approving the surcharge as filed effective April 1, 2025.

Various Jurisdictional Activity Related to the Joint Customer Information System Project

In July 2022, we filed a joint petition for our natural gas divisions in Maryland (Maryland Division, Sandpiper, and Elkton Gas) for the approval to establish a regulatory asset for non-capitalizable expenses related to the initial development and implementation of our new Customer Information System ("CIS") system. The petition was approved by the Maryland PSC in August 2022. A similar petition for our Florida Regulated Energy businesses was filed during the same time frame, however, the Florida PSC approved capitalization of these expenses in lieu of the establishment of regulatory assets. Additionally, our Delaware Division has the ability to defer these costs as a regulatory asset. Implementation of the CIS began during the first quarter of 2023 and went into service during the fourth quarter of 2024.

TCJA

In connection with the TCJA, which was signed into law in December 2017, customer rates for our regulated businesses were adjusted as applicable as approved by the regulators. Regulatory liabilities related to accumulated deferred income taxes (“ADIT”) associated with the TCJA amounted to $83.4 million and $84.6 million at December 31, 2025 and 2024, respectively. With the exception of the ADIT balance of $34.2 million attributable to Eastern Shore, such amounts are being amortized in accordance with approvals received from the Delaware, Maryland, and Florida PSCs in 2018 and 2019. The ADIT balance attributable to Eastern Shore will be addressed in its next rate case filing.

Regulatory Assets and Liabilities

At December 31, 2025 and 2024, our regulated utility operations recorded the following regulatory assets and liabilities included in our consolidated balance sheets, including amounts attributable to FCG. These assets and liabilities will be recognized as revenues and expenses in future periods as they are reflected in customers' rates.

	As of December 31,	
	2025	**2024**
(in millions)		
Regulatory Assets		
Under-recovered purchased fuel, electric, gas and conservation cost recovery [1] [2]	**$ 19.6**	$ 9.7
Under-recovered infrastructure revenue [3]	**3.2**	1.6
Deferred postretirement benefits [4]	**6.7**	7.7
Deferred conversion and development costs [1]	**20.3**	20.6
Acquisition adjustment [5]	**27.3**	29.6
Deferred storm costs [6]	**2.7**	11.1
Deferred rate case expenses - current	**1.5**	1.2
Other	**22.7**	19.8
Total Regulatory Assets	**$ 104.0**	$ 101.3
Regulatory Liabilities		
Over-recovered purchased fuel and conservation cost recovery [1]	**$ 14.2**	$ 15.5
Storm reserve [7]	**2.3**	2.1
Accrued asset removal cost [8]	**83.9**	77.9
Deferred income taxes due to rate change [9]	**100.3**	102.6
Other	**1.9**	2.0
Total Regulatory Liabilities	**$ 202.6**	$ 200.1

[1] We are allowed to recover the asset or are required to pay the liability in rates. We do not earn an overall rate of return on these assets.
[2] Includes amounts being recovered over a three-year period primarily concentrated in our electric division. Per Florida PSC approval, our electric division was allowed to recover these amounts over an extended period of time in an effort to reduce the impact of increased commodity prices to our customers. Recovery of these costs began in January 2023.
[3] The Florida PSC allowed us to recover through a surcharge, capital and other program-related-costs, inclusive of an appropriate return on investment, associated with accelerating the replacement of qualifying gas distribution mains and services (defined as any material other than coated steel or plastic) in FPU's natural gas distribution operations, Fort Meade division and CFG. We are allowed to recover the asset or are required to pay the liability in rates related to GRIP.
[4] The Florida PSC allowed FPU to treat as a regulatory asset the portion of the unrecognized costs pursuant to ASC Topic 715, Compensation - Retirement Benefits, related to its regulated operations. This balance also includes the portion of pension settlement expense associated with the termination of the Chesapeake Pension Plan pursuant to an order from the FERC and the respective PSCs that allowed us to defer Eastern Shore, Delaware and Maryland Divisions' portion. See Note 15, Employee Benefit Plans, for additional information.
[5] We are allowed to include the premiums paid in various natural gas utility acquisitions in Florida in our rate bases and recover them over a specific time period pursuant to the Florida PSC approvals. We paid $34.2 million of the premium in 2009, including a gross up for income tax, because it is not tax deductible, and $0.7 million of the premium paid by FPU in 2010.
[6] The Florida PSC authorized us to recover regulatory assets (including interest) associated with the recovery of Hurricanes Michael and Dorian storm costs which will be amortized between 6 and 10 years. Recovery of these costs includes a component of an overall return on capital additions and regulatory assets.
[7] We have storm reserves in our Florida regulated energy operations that allow us to collect through rates amounts to be used against general claims, storm restoration costs and other losses as they are incurred.
[8] See Note 2, Summary of Significant Accounting Policies, for additional information on our asset removal cost policies.
[9] We recorded a regulatory liability for our regulated businesses related to the revaluation of accumulated deferred tax assets/liabilities as a result of the TCJA. The liability will be amortized over a period between 5 to 80 years based on the remaining life of the associated property. Based upon the regulatory proceedings, we will pass back the respective portion of the excess accumulated deferred taxes to rate payers. See Note 11, Income Taxes, for additional information.

18. Environmental Commitments and Contingencies

We are subject to federal, state and local laws and regulations governing environmental quality and pollution control. These laws and regulations require us to remove or remediate, at current and former operating sites, the effect on the environment of the disposal or release of specified substances.

MGP Sites

We have participated in the investigation, assessment or remediation of, and have exposures at, seven former MGP sites. We have received approval for recovery of clean-up costs in rates for sites located in Salisbury, Maryland; Seaford, Delaware; and Winter Haven, Key West, Pensacola, Sanford and West Palm Beach, Florida.

As of December 31, 2025 and 2024, we had approximately $3.1 million and $3.2 million, respectively, in environmental liabilities, related to the former MGP sites, and related regulatory assets of $0.2 million and $0.3 million at the respective balance sheet dates for future recovery of environmental costs from customers.

Environmental liabilities for our MGP sites are recorded on an undiscounted basis based on the estimate of future costs provided by independent consultants. We continue to expect that all costs related to environmental remediation and related activities, including any potential future remediation costs for which we do not currently have approval for regulatory recovery, will be recoverable from customers through rates.

Remediation is ongoing for the MGP's in Winter Haven and Key West in Florida and in Seaford, Delaware. The remaining clean-up costs are estimated to range from $0.3 million to $0.8 million for these three sites. The Environmental Protection Agency has approved a "site-wide ready for anticipated use" status for the Sanford, Florida MGP site, which is the final step before delisting a site. The remaining remediation expenses for the Sanford MGP site are not material.

The remedial actions approved by the Florida Department of Environmental Protection have been implemented on the east and west Parcels of our West Palm Beach, Florida. These properties were sold to another party in December 2025, and no additional costs associated with remediation of this site are anticipated.

19. Other Commitments and Contingencies

Natural Gas, Electric and Propane Supply

In March 2023, our Delmarva Peninsula natural gas distribution operations entered into asset management agreements with a third party to manage their natural gas transportation and storage capacity. The agreements were effective in April 2023 and expire in March 2026.

FPU natural gas distribution operations and Eight Flags have separate asset management agreements with Emera Energy Services, Inc. to manage their natural gas transportation capacity. These agreements commenced in November 2020 and expire in October 2030.

FPU natural gas has firm transportation service contracts with FGT and Gulfstream. Pursuant to a capacity release program approved by the Florida PSC, all of the capacity under these agreements has been released to various third parties. Under the terms of these capacity release agreements, Chesapeake Utilities is contingently liable to FGT and Gulfstream should any party, that acquired the capacity through release, fail to pay the capacity charge. To date, Chesapeake Utilities has not been required to make a payment resulting from this contingency.

FPU's electric supply contracts require FPU to maintain an acceptable standard of creditworthiness. FPU's agreement with Florida Power & Light Company requires FPU to meet or exceed a debt service coverage ratio of 1.25 times based on the results of the prior 12 months. If FPU fails to meet this standard, it must provide an Adequate Assurance of Performance which can include an irrevocable letter of credit, a prepayment, a security interest in an asset, or a performance bond or guaranty. As of December 31, 2025, FPU was in compliance with all of the requirements of its supply contracts.

Eight Flags provides electricity and steam generation services through its CHP plant located on Amelia Island, Florida. In June 2016, Eight Flags began selling power generated from the CHP plant to FPU pursuant to a 20-year power purchase agreement for distribution to our electric customers. In July 2016, Eight Flags also started selling steam pursuant to a separate 20-year contract, to the landowner on which the CHP plant is located. The CHP plant is powered by natural gas transported by FPU through its distribution system and Peninsula Pipeline through its intrastate pipeline.

The total purchase obligations for natural gas, electric and propane supplies are as follows:

Year	2026	2027-2028	2029-2030	Beyond 2030	Total
(in millions)					
Purchase Obligations	$ 90.0	$ 99.6	$ 65.8	$ 101.9	$ 357.3

Corporate Guarantees

The BOD has authorized us to issue corporate guarantees securing obligations of our subsidiaries and to obtain letters of credit securing our subsidiaries' obligations. The maximum authorized liability under such guarantees and letters of credit as of December 31, 2025 was $62.0 million. The aggregate amount guaranteed related to our subsidiaries at December 31, 2025 was approximately $41.1 million with the guarantees expiring on various dates through December 2026. In addition, the Board has authorized us to issue specific purpose corporate guarantees. The amount of specific purpose guarantees outstanding at December 31, 2025 was $4.0 million.

As of December 31, 2025, we have issued letters of credit totaling approximately $4.8 million related to various transportation, transmission, capacity and storage agreements as well as our primary insurance carriers. These letters of credit have various expiration dates through October 2026 and to date, none have been used. We do not anticipate that the counterparties will draw upon these letters of credit, and we expect that they will be renewed to the extent necessary in the future.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Our Chief Executive Officer and Chief Financial Officer, with the participation of other Company officials, have evaluated our "disclosure controls and procedures" (as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended) as of December 31, 2025. Based upon their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2025.

CHANGE IN INTERNAL CONTROLS

During the fourth quarter of 2025, there were no changes in the design or operations of our internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

CEO AND CFO CERTIFICATIONS

Our Chief Executive Officer and Chief Financial Officer have filed with the SEC the certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 as Exhibits 31.1 and 31.2 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. In addition, on May 30, 2025 our Chief Executive Officer certified to the NYSE that he was not aware of any violation by us of the NYSE corporate governance listing standards.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Exchange Act. A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. A company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, our management conducted an evaluation of the effectiveness of its internal control over financial reporting based on the criteria established in an updated report entitled "Internal Control - Integrated Framework," issued in May 2013 by the Committee of Sponsoring Organizations of the Treadway Commission.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management has evaluated and concluded that our internal control over financial reporting was effective as of December 31, 2025.

Our independent registered public accounting firm, Baker Tilly US, LLP, has audited the effectiveness of our internal control over financial reporting as of December 31, 2025, as stated in its attestation report which appears under Part II, *Item 8. Financial Statements and Supplementary Data*.

ITEM 9B. OTHER INFORMATION.

During the three months ended December 31, 2025, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS OF THE REGISTRANT AND CORPORATE GOVERNANCE.

We maintain a Code of Ethics that applies to our Principal Executive Officer, President, Principal Financial Officer, Principal Accounting Officer, Treasurer, Assistant Treasurer, Corporate Controller and persons performing similar functions, which is a “code of ethics” as defined by applicable rules of the SEC. This Code of Ethics is publicly available on our website at https://www.chpk.com. If we make any amendments to this code other than technical, administrative or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of this code to the individuals and roles noted above, or persons performing similar functions, we intend to disclose the nature of the amendment or waiver, its effective date and to whom it applies by posting such information on our website at the address and location specified above.

We also maintain an insider trading policy governing the purchase, sale, and other dispositions of the Company's securities by directors, senior management, and employees. A copy of the insider trading policy is filed as an exhibit to this Annual Report.

The remaining information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Election of Directors (Proposal 1),” “Governance Trends and Director Education,” “Corporate Governance Practices,” “Board of Directors and its Committees” and “Delinquent Section 16(a) Reports.”

ITEM 11. EXECUTIVE COMPENSATION.

The information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Director Compensation,” “Executive Compensation” (excluding the information under the heading “Pay Versus Performance”), “Compensation Discussion and Analysis” and “Compensation Committee Report.”

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The information required by this Item is incorporated herein by reference to the sections of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Security Ownership of Certain Beneficial Owners and Management” and “Equity Compensation Plan Information.”

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information required by this Item is incorporated herein by reference to the section of our Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned “Corporate Governance Practices” and “Director Independence.”

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The information required by this Item is incorporated herein by reference to the portion of the Proxy Statement (which we intend to file with the SEC within 120 days after the close of our fiscal year) captioned "Fees and Services of the Company's Independent Auditors." Baker Tilly US, LLP, PCAOB ID: (23) serves as the Company's independent auditors.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

The following documents are filed as part of this Annual Report:

(a)(1) All of the financial statements, reports and notes to the financial statements included in Item 8 of Part II of this Annual Report on Form 10-K.

(a)(2) Schedule II—Valuation and Qualifying Accounts.

(a)(3) The Exhibits below.

• Exhibit 2.1	Stock Purchase Agreement, dated September 26, 2023, by and among Florida Power & Light Company and Chesapeake Utilities Corporation is incorporated by reference to Exhibit 2.1 of our Current Report on Form 8-K, filed with the SEC on September 27, 2023, File No. 001-11590.
• Exhibit 3.1	Amended and Restated Certificate of Incorporation of Chesapeake Utilities Corporation is incorporated by reference to Exhibit 3.1 of our Quarterly Report on Form 10-Q for the period ended June 30, 2010, File No. 001-11590.
• Exhibit 3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Chesapeake Utilities Corporation, is incorporated herein by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed May 7, 2025, File No. 001-11590.
• Exhibit 3.3	Amended and Restated Bylaws of Chesapeake Utilities Corporation, effective May 7, 2025, are incorporated herein by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed May 7, 2025, File No. 001-11590.
• Exhibit 4.1	Note Purchase Agreement, dated August 1, 2025, by and among Chesapeake Utilities Corporation and the purchasers thereto is incorporated by reference to Exhibit 4.1 in our Current Report on Form 8-K filed with the SEC on August 7, 2025, File No. 001-11590.
• Exhibit 4.2	Note Purchase Agreement, dated November 1, 2024, by and among Chesapeake Utilities Corporation and the purchasers party thereto is incorporated by reference to Exhibit 4.1 of our Current Report on Form 8-K filed November 4, 2024, File No. 001-11590.
• Exhibit 4.3	Note Purchase Agreement, dated November 20, 2023, by and among Chesapeake Utilities Corporation and the purchasers party thereto is incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed with the SEC on November 21, 2023, File No. 001-11590.
• Exhibit 4.4	Note Purchase Agreement, dated August 25, 2021, by and among Chesapeake Utilities Corporation, MetLife Insurance K.K., Thrivent Financial For Lutherans, CMFG Life Insurance Company, and American Memorial Life Insurance Company. †
• Exhibit 4.5	Note Purchase Agreement dated November 19, 2019, by and among Chesapeake Utilities Corporation, The Guardian Life Insurance Company of America, The Guardian Insurance & Annuity Company, Inc., Berkshire Life Insurance Company of America, Thrivent Financial for Lutherans, United of Omaha Life Insurance Company, and CMFG Life Insurance Company.†
• Exhibit 4.6	Master Note Agreement dated March 2, 2017, by and among Chesapeake Utilities Corporation, NYL Investors LLC, and the other purchasers thereto.†
• Exhibit 4.7	First Amendment to Master Note Agreement dated November 15, 2018, by and among Chesapeake Utilities Corporation, NYL Investors LLC, and the other purchasers thereto.†
• Exhibit 4.8	Private Shelf Agreement, dated March 2, 2017, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC, and the other purchasers thereto.†
• Exhibit 4.9	First Amendment to Private Shelf Agreement, dated May 14, 2020, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC, and the other purchasers thereto. †

• Exhibit 4.10	Second Amendment to Private Shelf Agreement, dated February 21, 2023, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC Second Amendment to Private Shelf Agreement dated February 21, 2023, by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company, and MetLife Investment Management, LLC is incorporated by reference to Exhibit 4.11 of our Annual Report on Form 10-K for the year ended December 31, 2022, File No. 001-11590.
• Exhibit 4.11	Private Shelf Agreement dated October 8, 2015, by and among Chesapeake Utilities Corporation, PGIM, Inc. (formerly known as Prudential Investment Management Inc.), and the other purchasers thereto. †
• Exhibit 4.12	First Amendment to Private Shelf Agreement dated September 14, 2018, between Chesapeake Utilities Corporation, as issuer, and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.), and other purchasers that may become party thereto. †
• Exhibit 4.13	Third Amendment to Private Shelf Agreement dated February 8, 2023, between Chesapeake Utilities Corporation, as issuer, and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.), and other purchasers thereto. †
• Exhibit 4.14	Note Purchase Agreement dated September 5, 2013, by and among Chesapeake Utilities Corporation, PAR U Hartford Life & Annuity Comfort Trust, The Prudential Insurance Company of America, The Gibraltar Life Insurance Co., Ltd., The Penn Mutual Life Insurance Company, Thrivent Financial for Lutherans, United of Omaha Life Insurance Company, and Companion Life Insurance Company.†
• Exhibit 4.15	Note Agreement dated June 29, 2010, among Chesapeake Utilities Corporation, as issuer, Metropolitan Life Insurance Company and New England Life Insurance Company.†
• Exhibit 4.16	Description of Chesapeake Utilities Corporation's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, is incorporated by reference to Exhibit 4.10 of our Annual Report on Form 10-K for the year ended December 31, 2021, File No. 001-11590.
• Exhibit 10.1*	Chesapeake Utilities Corporation Cash Bonus Incentive Plan, effective January 1, 2015, is incorporated herein by reference to our Proxy Statement dated March 31, 2015, in connection with our Annual Meeting held on May 6, 2015, File No. 001-11590.
• Exhibit 10.2*	First Amendment to the Chesapeake Utilities Corporation Cash Bonus Incentive Plan effective December 15, 2025, now referred to as Chesapeake Utilities Corporation Short-term Incentive Compensation Plan, is filed herewith.
• Exhibit 10.3*	Non-Qualified Deferred Compensation Plan, effective January 1, 2014, is incorporated herein by reference to Exhibit 10.8 of our Annual Report on Form 10-K for the year ended December 31, 2013, File No. 001-11590.
• Exhibit 10.4*	Second Amendment to the Non-Qualified Deferred Compensation Plan, effective October 2, 2023, is incorporated by reference to Exhibit 10.33 of our Annual Report on Form 10-K for the year ended December 31, 2023, File No. 001-11590.
• Exhibit 10.5*	Chesapeake Utilities Corporation Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2009, is incorporated herein by reference to Exhibit 10.27 of our Annual Report on Form 10-K for the year ended December 31, 2008, File No. 001-11590.
• Exhibit 10.6	Revolving Line of Credit Note dated April 24, 2020 issued by Chesapeake Utilities Corporation in favor of PNC Bank, National Association is incorporated herein by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.
• Exhibit 10.7	Loan Agreement dated April 27, 2020, between Chesapeake Utilities Corporation and Bank of America, N.A. is incorporated herein by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.
• Exhibit 10.8	Promissory Note dated April 22, 2020, issued by Chesapeake Utilities Corporation and in favor of Bank of America, N.A. is incorporated herein by reference to Exhibit 10.6 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File No. 001-11590.
• Exhibit 10.9	Credit Agreement dated May 29, 2020, between Chesapeake Utilities Corporation and Citizens Bank National Association is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.

• Exhibit 10.10	Form of Revolving Loan Note in favor of Citizens Bank National Association is incorporated herein by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
• Exhibit 10.11	Loan Agreement dated May 6, 2020 between Chesapeake Utilities Corporation and Royal bank of Canada is incorporated herein by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
• Exhibit 10.12	Form of Revolving Credit Note in favor of Royal Bank of Canada is incorporated herein by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, File No. 001-11590.
• Exhibit 10.13	Credit Agreement, dated September 30, 2020, by and between Chesapeake Utilities Corporation, PNC Bank, National Association, and several other financial institutions named therein is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, File No. 001-11590.
• Exhibit 10.14	Amended and Restated Credit Agreement, dated August 12, 2021, to Credit Agreement dated September 30, 2020, among Chesapeake Utilities Corporation, PNC Bank, National Association, and several other financial institutions named therein is incorporated herein by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021, File No. 001-11590.
• Exhibit 10.15	Second Amended and Restated Credit Agreement, dated August 6, 2024, among Chesapeake Utilities Corporation, PNC Bank, National Association and several other financial institutions is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the period ended June 30, 2024, File No. 001-11590.
• Exhibit 10.16	Second Amendment to Amended and Restated Credit Agreement, dated August 9, 2023, to Credit Agreement dated September 30, 2020 among Chesapeake Utilities Corporation and PNC Bank, National Association, and several other financial institutions is incorporated herein by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the period ended September 30, 2023, File No. 001-11590.
• Exhibit 10.17*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Jeffrey S. Sylvester is incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590.
• Exhibit 10.18*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Jeffry M. Householder is incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590.
• Exhibit 10.19*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Beth W. Cooper is incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590.
• Exhibit 10.20*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and James F. Moriarty is incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590.
• Exhibit 10.21*	Executive Employment Agreement, dated December 16, 2021, by and between Chesapeake Utilities Corporation and Kevin J. Webber is incorporated by reference to Exhibit 10.5 to our Current Report on Form 8-K filed on December 20, 2021, File No. 001-11590.
• Exhibit 10.22*	Form of Amendment to the Executive Employment Agreement, effective October 2, 2023, for each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin J. Webber and Jeffrey S. Sylvester is incorporated by reference to Exhibit 10.34 to our Annual Report on Form 10-K for the year ended December 31, 2023, File No. 001-11590.
• Exhibit 10.23*	Form of Performance Share Agreement, effective February 23, 2022, by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin J. Webber, and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.34 to our Annual Report on Form 10-K for the year ended December 31, 2021, File No. 001-11590.

• Exhibit 10.24*	Form of Performance Share Agreement dated February 22, 2023 by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber and Jeffrey S. Sylvester is incorporated herein by reference to Exhibit 10.16 to our Annual Report on Form 10-K for the year ended December 31, 2022. File No. 001-11590.
• Exhibit 10.25*	Form of Performance Share Agreement, effective February 20, 2024, by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin J. Webber, and Jeffrey S. Sylvester is incorporated by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the period ended March 31, 2024, File No. 001-11590.
• Exhibit 10.26*	Form of Performance Share Agreement dated February 25, 2025, pursuant to Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber and Jeffrey S. Sylvester is incorporated by reference to Exhibit 10.27 to out Annual Report on Form 10-K for the year ended December 31, 2024. File No. 001-11590.
• Exhibit 10.27*	Form of Performance Share Agreement dated February 25, 2026, pursuant to Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan by and between Chesapeake Utilities Corporation and each of Jeffry M. Householder, Beth W. Cooper, James F. Moriarty, Kevin Webber and Jeffrey S. Sylvester is filed herewith.
• Exhibit 10.28*	Chesapeake Utilities Corporation 2013 Stock and Incentive Compensation Plan, as approved by stockholders and effective May 2, 2013 is incorporated by reference to Appendix A of our Proxy Statement dated April 2, 2013 in connection with our Annual Meeting held on May 2, 2013, File No. 001-11590.
• Exhibit 10.29*	Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan as approved by stockholders and effective on May 3, 2023 is incorporated herein by reference to Exhibit 10.1 to our Registration Statement on Form S-8 filed May 3, 2023, File No. 001-11590.
• Exhibit 10.30	Equity Distribution Agreement, dated November 22, 2024, by and between Chesapeake Utilities Corporation and each of RBC Capital Markets, LLC, Barclays Capital Inc., Janney Montgomery Scott LLC, Ladenburg Thalmann & Co. Inc., Guggenheim Securities, LLC, Citizens JMP Securities, LLC, M&T Securities, Inc., Maxim Group LLC, PNC Capital Markets LLC, and Siebert Williams Shank & Co., LLC is incorporated herein by reference to Exhibit 1.1 of our Current Report on Form 8-K, filed November 22, 2024, File No. 001-11590.
• Exhibit 19	Chesapeake Utilities Corporation's Securities Trades by Company Personnel and Related Persons Policy Statement is filed herewith.
• Exhibit 21	Subsidiaries of the Registrant is filed herewith.
• Exhibit 23.1	Consent of Independent Registered Public Accounting Firm is filed herewith.
• Exhibit 31.1	Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to Exchange Act Rule 13a-14(a) and 15d – 14(a), is filed herewith.
• Exhibit 31.2	Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to Exchange Act Rule 13a-14(a) and 15d – 14(a), is filed herewith.
• Exhibit 32.1	Certificate of Chief Executive Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350, is furnished herewith.**
• Exhibit 32.2	Certificate of Chief Financial Officer of Chesapeake Utilities Corporation pursuant to 18 U.S.C. Section 1350, is furnished herewith.**
• Exhibit 97	Chesapeake Utilities Corporation Incentive-Based Compensation Clawback Policy effective October 2, 2023, is incorporated by reference to Exhibit 97 of our Annual Report on Form 10-K for the year ended December 31, 2023, File No. 001-11590.

- Exhibit 101.INS XBRL Instance Document is filed herewith.
- Exhibit 101.SCH XBRL Taxonomy Extension Schema Document is filed herewith.
- Exhibit 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document is filed herewith.
- Exhibit 101.DEF XBRL Taxonomy Extension Definition Linkbase Document is filed herewith.

- Exhibit 101.LAB XBRL Taxonomy Extension Label Linkbase Document is filed herewith.
- Exhibit 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document is filed herewith.
- Exhibit 104 Cover Page Interactive Data File - formatted in Inline XBRL and contained in Exhibit 101.

* Management contract or compensatory plan or agreement.
** Furnished herewith
† These agreements have not been filed herewith pursuant to Item 601(b)(4)(v) of Regulation S-K under the Securities Act of 1933, as amended. We hereby agree to furnish copies to the SEC upon request.

ITEM 16. FORM 10-K SUMMARY.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, Chesapeake Utilities Corporation has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHESAPEAKE UTILITIES CORPORATION

By: /s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
Chair of the Board, President, Chief Executive Officer, and Director
February 25, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ JEFFRY M. HOUSEHOLDER
Jeffry M. Householder
Chair of the Board, President, Chief Executive Officer, and Director
February 25, 2026

/s/ BETH W. COOPER
Beth W. Cooper, Executive Vice President,
Chief Financial Officer, Treasurer and Assistant Corporate Secretary
(Principal Financial and Accounting Officer)
February 25, 2026

/S/ LISA G. BISACCIA
Lisa G. Bisaccia, Director
February 25, 2026

/s/ SHEREE M. PETRONE
Sheree M. Petrone, Director
February 25, 2026

/S/ THOMAS J. BRESNAN
Thomas J. Bresnan, Lead Director
February 25, 2026

/S/ RONALD G. FORSYTHE, JR.
Dr. Ronald G. Forsythe, Jr., Director
February 25, 2026

/S/ ELISABETH A. EDEN
Elisabeth A. Eden, Director
February 25, 2026

/s/ DENNIS S. HUDSON, III
Dennis S. Hudson, III, Director
February 25, 2026

/s/ LILA A. JABER
Lila A. Jaber, Director
February 25, 2026

Chesapeake Utilities Corporation and Subsidiaries
Schedule II
Valuation and Qualifying Accounts

For the Year Ended December 31,	Balance at Beginning of Year	Additions		Deductions [2]	Balance at End of Year
		Charged to Income	Other Accounts [1]		
(in millions)					
Reserve Deducted From Related Assets					
Reserve for Uncollectible Accounts					
2025	$ 3.3	$ 3.5	$ 0.2	$ (1.6)	$ 5.4
2024	$ 2.7	$ 2.1	$ 0.4	$ (1.9)	$ 3.3
2023	$ 2.9	$ 2.3	$ 0.2	$ (2.7)	$ 2.7

[1] Recoveries and other allowance adjustments.
[2] Uncollectible accounts charged off.

FIRST AMENDMENT TO CHESAPEAKE UTILITIES CORPORATION CASH BONUS INCENTIVE PLAN

Background Information

A. The Chesapeake Utilities Corporation Cash Bonus Incentive Plan (the "Plan") was adopted by Chesapeake Utilities Corporation (the "Company") effective as of January 1, 2015 to further the long-term growth and earnings of the Company by providing incentives and rewards to those executive officers and other key employees of the Company and its affiliates, encourage those employees to remain as employees of the Company and its affiliates, and assist the Company and its affiliates in recruiting able management personnel.

B. The Company desires to amend the Plan to change the name of the Plan and provide that Awards under the Plan may be distributed in the form of cash or as an award of equivalent value under the Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan, or a successor plan thereto.

Amendment

The Company hereby amends the Plan as set forth below, effective as of December 15, 2025:

1. Section 1.01 of the Plan, "Purposes of the Plan," is hereby amended to read as follows:

   The purposes of the Chesapeake Utilities Corporation Short-Term Incentive Compensation Plan (the "Plan") are (a) to further the long-term growth and earnings of Chesapeake Utilities Corporation (the "Company") by providing incentives and rewards to those executive officers and other key employees of the Company and its Related Companies who are in positions in which they can contribute significantly to the achievement of that growth; (b) to encourage those employees to remain as employees of the Company and its Related Companies; and (c) to assist the Company and its Related Companies in recruiting able management personnel. To accomplish these objectives, the Plan authorizes the grant of Awards, as further described herein.

2. Section 2.0l(r) of the Plan, "Plan," is hereby amended to read as follows:

   "Plan" means the Chesapeake Utilities Corporation Short-Term Incentive Compensation Plan, as set forth herein and as amended from time to time.

3. Section 3.01 of the Plan, "The Committee," is hereby amended by revising the second sentence of the Section to read as follows:

   The Committee shall periodically determine, in its sole discretion, the individuals who shall participate in the Plan and the amounts and other terms and conditions of Awards to be granted to such individuals under the Plan, including the form in which Awards shall be distributed under Sections 5.06 or 6.02.

4. Section 5.06, "Payment of Performance Bonus Awards," is hereby amended to read as follows:

Each Participant's Final Bonus, as determined by the Committee, shall be paid in whole or in part (a) in cash, in one lump sum, subject to applicable tax and other authorized withholdings, or (b) in the form of an award under the Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan or a successor plan thereto (the **"Equity Plan").** Distributions under the Plan shall be paid by no later than the last business day occurring on or before the 15th day of the third month after the end of each Performance Period. If payment is delayed due to an unforeseeable event or other administrative delays, payment shall in no event be made later than the 15th day of the third month after the end of the taxable year of the Participant in which the Final Bonus was earned. Other withholdings may include, but not be limited to, amounts previously elected to be deferred to a tax-qualified or non-qualified retirement or deferred compensation plan.

5. Section 6.02, "Payment of Cash Bonus Awards," is hereby amended to read as follows:
After the Company's financial results for a fiscal year become available, the Committee may, but shall not be required to, grant Cash Bonus Awards to one or more Participants, including but not limited to a Participant as to whom Performance Bonus Awards have been designated pursuant to Section 5 of the Plan. A Cash Bonus Award as determined by the Committee shall be paid in whole or in part (a) in cash, in one lump sum, subject to applicable tax and other authorized withholdings, or (b) in the form of an award under the Equity Plan. Distributions under the Plan shall be paid by no later than the last business day occurring on or before the 15th day of the third month after the end of the Performance Period for which the Cash Bonus Award was granted. If payment is delayed due to an unforeseeable event or other administrative delays, payment shall in no event be made later than the 15th day of the third month after the end of the taxable year of the Participant in which the Cash Bonus Awards was earned. Other withholdings may include, but not be limited to, amounts previously elected to be deferred to a tax-qualified or non-qualified retirement or deferred compensation plan.

6. A new Section 7.03, "Equity Plan Distributions," is hereby added to the Plan to read as follows:

If an Award under the Plan is distributed in the form of an award under the Equity Plan, such distribution shall satisfy all of the Company's duties and obligations under the Plan with respect to the associated Award and, thereafter, the terms of such an award shall be governed exclusively by the terms of the Equity Plan and any award agreements issued thereunder.

Signature Page Follows

CHESAPEAKE UTILITIES CORPORATION

Beth W. Cooper

By:_____

Its: Executive VP and CFO

Date: 02/09/2026

PERFORMANCE STOCK AWARD AGREEMENT

pursuant to the

CHESAPEAKE UTILITIES CORPORATION
2023 STOCK AND INCENTIVE COMPENSATION PLAN

On February 25, 2026 (the "Grant Date"), Chesapeake Utilities Corporation, a Delaware corporation (the "Company"), has granted to _____ (the "Grantee"), who resides at _____, a Performance Stock Award on the terms and subject to the conditions of this Performance Stock Award Agreement.

Recitals

WHEREAS, the Chesapeake Utilities Corporation 2023 Stock and Incentive Compensation Plan (the "Plan") has been duly adopted by action of the Company's Board of Directors (the "Board") on February 22, 2023 and by the Company's stockholders on May 3, 2023; and

WHEREAS, the Committee of the Board of Directors of the Company referred to in the Plan (the "Committee") has determined that it is in the best interests of the Company to grant the Performance Stock Award described herein pursuant to the Plan; and

WHEREAS, the shares of the Common Stock of the Company ("Shares") that are subject to this Agreement, when added to the other shares of Common Stock that are subject to awards granted under the Plan, do not exceed the total number of shares of Common Stock with respect to which awards are authorized to be granted under the Plan or the total number of shares of Common Stock that may be granted to an individual in a single calendar year.

Agreement

It is hereby covenanted and agreed by and between the Company and the Grantee as follows:

Section 1. Performance Stock Award and Performance Period

The Company hereby grants to the Grantee a Performance Stock Award as of the Grant Date. As more fully described herein, the Grantee may earn up to _____ Shares upon the Company's achievement of the performance criteria set forth in Section 2 (the "Performance Shares") over the performance period from January 1, 2026 to December 31, 2028 (the "Performance Period"). This Award has been granted pursuant to the Plan; capitalized terms used in this agreement which are not specifically defined herein shall have the meanings ascribed to such terms in the Plan.

Section 2. Performance Criteria and Terms of Stock Award

(a) The Committee selected and established in writing performance criteria for the Performance Period, which, if met, may entitle the Grantee to some or all of the Performance Shares under this Award. As soon as practicable after the Company's independent auditors have certified the Company's financial statements for each fiscal

year of the Company in the Performance Period, the Committee shall determine for purposes of this Agreement the Company's (1) growth in long-term earnings, defined as the growth in total capital expenditures as a percentage of total capitalization ("Growth") and (2) earnings performance, defined as average return on equity ("ROE") and calculated as net income as a percentage of stockholders' equity, in accordance with procedures established by the Committee. The Growth and ROE (each a "Performance Metric" and collectively, the "Performance Metrics") shall be determined by the Committee in accordance with the terms of the Plan and this Agreement based on financial results reported to stockholders in the Company's annual reports and may be subject to adjustment by the Committee for extraordinary events during the Performance Period, as applicable. Both the Growth and ROE Performance Metrics will be compared to the performance of the **2026-2028** Performance Peer Group, shown at Attachment A hereto, and to the **2026-2028** Long-Term Award Resolution (collectively referred to as the "Peer Group"), for the Performance Period. The Company's performance shall be compared to the Performance Peer Group to determine the percentile ranking and level of payout as shown at Attachment B. For the ROE Performance Metric, the Company is required to achieve a ROE of at least eight (8) percent. Additionally, once the Performance Metrics are calculated, such results are subject to the Total Stockholder Return Modifier, set forth at Attachment B hereto, to determine the final Performance Shares to be issued. In no event can the Modifier result in the final Performance Shares exceeding the Performance Shares set forth in Section 1 above. For the Total Stockholder Return Modifier, the calculation of total stockholder return will utilize the average closing stock price of the Common Stock of the Company from November 1 through December 31 immediately preceding the beginning and at the end of the Performance Period. At the end of the Performance Period, the Committee shall certify the extent to which the Performance Metrics were met during the Performance Period, considering the schedule in subsection (b) below.

a. The Grantee may earn 50% percent or more of the target award of _____ Performance Shares (the "Target Award") up to a maximum number of Performance Shares set forth in Section 1 above (the "Maximum Award") based upon achievement of threshold and target levels of performance against the Performance Metrics established for the Performance Period and factoring in any impact of the Modifier. The Committee shall confirm the Performance Shares earned for the Performance Period after the Company's independent auditors have certified the Company's financial statements for each fiscal year of the Company in the Performance Period. If the Performance Metrics for the Performance Period are met, the Grantee shall be entitled to the associated Performance Shares, subject, however, to the Committee's exercise of discretion to adjust this Award (either up or down) based on business outcomes and objectives established for the Grantee or any other factors, all as determined by the Committee in its sole discretion. The Committee shall promptly notify the Grantee of its determination.

(c) Once established, the Performance Metrics identified above normally shall not be changed during the Performance Period. However, if any of the companies in the Peer Group cease to be publicly traded, they will automatically be deleted from the Peer Group. In addition, the Committee reserves the right, in its discretion, to approve any such other adjustments to this Award and the Performance Shares, including, but not limited to, the

establishment and evaluation of the Performance Criteria, the Target Award, or the Maximum Award as provided in the Plan..

(d) Performance Shares that are awarded to the Grantee pursuant to this Section 2 shall be issued promptly, without payment of consideration by the Grantee, within 2½ months of the end of the Performance Period. The Grantee shall have the right to vote the Performance Shares and to receive the dividends distributable with respect to such Shares on and after, but not before, the date on which the Grantee is recorded on the Company's ledger as holder of record of the Performance Shares (the "Issue Date"). If, however, the Grantee receives Shares as part of any dividend or other distribution with respect to the Performance Shares, such Shares shall be treated as if they are Performance Shares, and such Shares shall be subject to all of the terms and conditions imposed by this Section 2. Notwithstanding the foregoing, the Grantee shall be entitled to receive an amount in cash, equivalent to the dividends that would have been paid on the awarded Performance Shares from the Grant Date to the Issue Date for those Performance Shares actually earned by the Grantee during the applicable Performance Period. Such dividend equivalents shall be payable at the time such Performance Shares are issued.

(e) The Performance Shares will not be registered for resale under the Securities Act of 1933 or the laws of any state except when and to the extent determined by the Board pursuant to a resolution. Until a registration statement is filed and becomes effective, however, transfer of the Performance Shares shall require the availability of an exemption from such registration, and prior to the issuance of new certificates, the Company shall be entitled to take such measures as it deems appropriate (including but not limited to obtaining from the Grantee an investment representation letter and/or further legending the new certificates) to ensure that the Performance Shares are not transferred in the absence of such exemption.

(f) In the event of a Change in Control[1], as defined in the Plan, during the Performance Period, the Grantee shall earn the Target Award of Performance Shares set forth in this Section 2, as if all performance criteria were satisfied, without any pro ration based on the portion of the Performance Period that has expired as of the date of such Change in Control.

(g) If, during the Performance Period, the Grantee has a Termination of Employment, Performance Shares shall be deemed earned or forfeited as follows:

(1) Except as provided in Section (2), below, upon voluntary Termination of Employment by the Grantee or termination by the Company for any reason, all unearned Performance Shares shall be forfeited immediately; and

(2) If the Grantee has a Termination of Employment by reason of death or Disability or Retirement (as such terms are defined in the Plan), the number of Performance Shares that would otherwise have been earned at the end of the Performance Period shall be reduced by pro rating such Performance Shares based on the proportion of the Performance Period during which the Grantee was employed by the Company (based upon the full months of the Performance Period elapsed as of the end of the month in which the Termination of Employment occurred over the total number of months in the Performance Period), unless the Committee determines that the Performance Shares shall not be so reduced.

(a) The Grantee shall be solely responsible for any federal, state and local taxes of any kind imposed in connection with the vesting or delivery of the Performance Shares. Prior to

the transfer of any Performance Shares to the Grantee, the Grantee shall remit to the Company an amount sufficient to satisfy any federal, state, local and other withholding tax requirements. The Grantee may elect to have all or part of any withholding tax obligation satisfied by having the Company withhold Shares otherwise deliverable to the Grantee as Performance Shares, unless the Committee determines otherwise by resolution. If the Grantee fails to make such payments or election, the Company and its subsidiaries shall, to the extent permitted by law, have the right to deduct from any payments of any kind otherwise due to the Grantee any taxes required by law to be withheld with respect to the Performance Shares. In the case of any amounts withheld for taxes pursuant to this provision in the form of Shares, the amount withheld shall not exceed the maximum required by applicable law and regulations.

(i) Notwithstanding any other provision of this Agreement, if any payment or distribution (a "Payment") by the Company or any other person or entity to or for the benefit of the Grantee is determined to be an "excess parachute payment" (within the meaning of Code Section 280G(b)(1) or any successor provision of similar effect), whether paid or payable or distributed or distributable pursuant to this Agreement or otherwise, then the Grantee's benefits under this Agreement may, unless the Grantee elects otherwise pursuant to Grantee's employment agreement, be reduced by the amount necessary so that the Grantee's total "parachute payment" as defined in Code Section 280G(b)(2)(A) under this and all other agreements will be $1.00 less than the amount that would be a "parachute payment". The payment of any "excess parachute payment" pursuant to this paragraph shall also comply with the terms of the Grantee's employment agreement, if any.

Section 3. Additional Conditions to Issuance of Shares

Each transfer of Performance Shares shall be subject to the condition that if at any time the Committee shall determine, in its sole discretion, that it is necessary or desirable as a condition of, or in connection with, the transfer of Performance Shares (i) to satisfy withholding tax or other withholding liabilities, (ii) to effect the listing, registration or qualification on any securities exchange or under any state or federal law of any Shares deliverable in connection with such exercise, or (iii) to obtain the consent or approval of any regulatory body, then in any such event such transfer shall not be effective unless such withholding, listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company.

Section 4. Adjustment of Shares

(a) If the Company shall become involved in a merger, consolidation or other reorganization, whether or not the Company is the surviving corporation, any right to earn Performance Shares shall be deemed a right to earn or to elect to receive the consideration into which the Shares represented by the Performance Shares would have been converted under the terms of the merger, consolidation or other reorganization. If the Company is not the surviving corporation, the surviving corporation (the "Successor") shall succeed to the rights and obligations of the Company under this Agreement.

(b) If any subdivision or combination of Shares or any stock dividend, capital reorganization or recapitalization occurs after the adoption of the Plan, the Committee shall make such proportionate adjustments as are appropriate to the number of Performance Shares to be earned in order to prevent the dilution or enlargement of the rights of the Grantee.

Section 5. No Right to Employment

Nothing contained in this Agreement shall be deemed by implication or otherwise to confer upon the Grantee any right to continued employment by the Company or any affiliate of the Company or to limit the right of the Company to terminate the Grantee's employment for any reason or for no reason.

Section 6. Notice

Any notice to be given hereunder by the Grantee shall be sent by mail addressed to Chesapeake Utilities Corporation, 500 Energy Lane, Dover, Delaware 19901, for the attention of the Committee, c/o the Corporate Secretary, and any notice by the Company to the Grantee shall be sent by mail addressed to the Grantee at the address of the Grantee shown on the first page hereof. Either party may, by notice given to the other in accordance with the provisions of this Section, change the address to which subsequent notices shall be sent.

Section 7. Beneficiary Designation

Grantee may designate a beneficiary to receive any Performance Shares to which Grantee is entitled which vest as a result of Grantee's death. Grantee acknowledges that the Company may exercise all rights under this Agreement and the Plan against Grantee and Grantee's estate, heirs, lineal descendants and personal representatives and shall not be limited to exercising its rights against Grantee's beneficiary.

Section 8. Assumption of Risk

It is expressly understood and agreed that the Grantee assumes all risks incident to any change hereafter in the applicable laws or regulations or incident to any change in the market value of the Performance Shares.

Section 9. Terms of Plan and Employment Agreement

This Agreement is entered into pursuant to the Plan (a summary of which has been delivered to the Grantee). This Agreement is subject to all of the terms and provisions of the Plan, which are incorporated into this Agreement by reference, and the actions taken by the Committee pursuant to the Plan. In the event of a conflict between this Agreement and the Plan, the provisions of the Plan shall govern. In addition, this Award is subject to applicable provisions of the Grantee's employment agreement, including provisions requiring the Company to recover some or all of the Performance Shares awarded hereunder in the circumstances described in such agreement or as otherwise required by applicable law. All determinations by the Committee shall be in its sole discretion and shall be binding on the Company and the Grantee.

Section 10. Governing Law; Amendment

This Agreement shall be governed by, and shall be construed and administered in accordance with, the laws of the State of Delaware (without regard to its choice of law rules) and the requirements of any applicable federal law. This Agreement may be modified or amended only by a writing signed by the parties hereto.

Section 11. Action by the Committee

The parties agree that the interpretation of this Agreement shall rest exclusively and completely within the sole discretion of the Committee. The parties agree to be bound by the decisions of the Committee with regard to the interpretation of this Agreement and with regard to any and all matters set forth in this Agreement. The Committee may delegate its functions under this Agreement to an officer of the Company designated by the Committee (hereinafter the “Designee”). In fulfilling its responsibilities hereunder, the Committee or its Designee may rely upon documents, written statements of the parties or such other material as the Committee or its Designee deems appropriate. The parties agree that there is no right to be heard or to appear before the Committee or its Designee and that any decision of the Committee or its Designee relating to this Agreement shall be final and binding unless such decision is arbitrary and capricious.

Section 12. Terms of Agreement

This Agreement shall remain in full force and effect and shall be binding on the parties hereto for so long as any Performance Shares issued to the Grantee under this Agreement continue to be held by the Grantee.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed in its corporate name, and the Grantee has executed the same in evidence of the Grantee's acceptance hereof, upon the terms and conditions herein set forth, as of the day and year first above written.

CHESAPEAKE UTILITIES CORPORATION

By:

Printed Name:

Its:

Grantee:

Printed Name:

Attachment A

2026-2028 Performance Peer Group

The 2026-2028 Performance Peer Group consists of the following gas utility companies:

1. Atmos Energy Corporation
2. Black Hills Corporation
3. New Jersey Resources Corporation
4. NiSource Inc.
5. NW Natural (a subsidiary of Northwest Natural Holding Co.)
6. Northwestern Corporation
7. ONE Gas, Inc.
8. RGC Resources, Inc.
9. Spire Inc.
10. Unitil Corporation

Attachment B

Performance Criteria

Growth – Capital Expenditures as a percentage of Total Capitalization relative to peer companies

%ile Ranking to Peer Group Payout %

..... 40-49% 50% of Award
..... 50-54% 75% of Award
..... 55-59% 100% of Award
..... 60-64% 125% of Award
..... 65-69% 150% of Award
..... 70-80% 175% of Award
> 80% 200% of Award

Earnings – Average Return on Equity relative to peer companies

%ile Ranking to Peer Group Payout %

..... 40-49% 50% of Award
..... 50-54% 75% of Award
..... 55-59% 100% of Award
..... 60-64% 125% of Award
..... 65-69% 150% of Award
..... 70-80% 175% of Award
> 80% 200% of Award

To earn above Target (100%), a threshold ROE of 8 percent must be achieved.

Relative Total Stockholder Return – Modifier

Total stockholder return is a modifier to the results of the applicable Growth and RoE Performance Metrics. It is based upon the 36 months ended December 31, 2028, with the 60-dav average price used at the beginning and end of the period (11/1/2025-12/31/2025 and 11/1/2028-12/31/2028). The Modifier is applied as follows:

TSR Modifier (+/-20%)	
CPK TSR Percentile Ranking	TSR Modifier
>75%	20.00%
51%-74%	Interpolated between: 0.80%-19.20%
50%	—%
26%-49%	Interpolated between: -19.20% to -080%
<25%	(20.00)%

In no event can the Modifier result in the final Performance Shares exceeding the Performance Shares set forth in Section 1 above

Securities Trades by Company Personnel and Related Persons
Policy Statement
Chesapeake Utilities Corporation

Amended November 6, 2025

This document sets forth the policies and procedures that govern trading in Chesapeake Utilities Corporation ("Chesapeake") stock by directors, officers and employees of Chesapeake and its subsidiaries (this "Policy Statement"). All references in this Policy Statement to Chesapeake also include each direct and indirect subsidiary of Chesapeake. This Policy Statement has been adopted by Chesapeake to fulfill its responsibilities as a public company under the federal securities laws.

Chesapeake's directors, officers and employees have worked hard over the years to establish Chesapeake's reputation for integrity and ethical conduct. We cannot afford to have this reputation damaged. Accordingly, this Policy Statement also is designed to ensure that anyone employed by or associated with Chesapeake avoids even the appearance of improper conduct.

It is important that all Chesapeake directors, officers and employees review this Policy Statement carefully. Noncompliance with this Policy Statement is grounds for immediate dismissal. Failure to comply with this Policy Statement can also result in a serious violation of the federal securities laws, leading potentially to both civil and criminal penalties.

A. The Policy

All of Chesapeake's directors, officers and employees are subject to the general prohibition on insider trading set forth in Section C of this Policy Statement. In addition, Chesapeake's (i) directors, (ii) officers, (iii) employees located at the Corporate Office in Dover, Delaware, and (iv) employees who are notified by management that they are deemed or likely to have access to material, nonpublic information (such employees referred to in subsections (iii) and (iv) are sometimes hereinafter referred to as the "Designated Employees") are subject to other limitations and procedures applicable to their trading in Chesapeake stock as described in Section D of this Policy Statement.

Each of the restrictions imposed by this Policy Statement on Chesapeake's directors, officers and employees also applies with the same force and effect to their "Related Persons." For purposes of this Policy Statement, a "Related Person" includes the spouse, minor children and anyone else living in a director, officer or employee's household; partnerships in which a director, officer or employee is a general partner; corporations in which a director, officer or employee own individually, or together with other Related Persons owns a controlling interest; trusts of which a director, officer or employee are a trustee, settlor or beneficiary; estates of which a director, officer or employee is the executor or beneficiary; or any other group or entity where the director, officer or employee has or shares with others the power to decide whether to purchase or sell Chesapeake stock. All Chesapeake directors, officers and employees are

responsible for the compliance with this Policy Statement and applicable law by their Related Persons.
The general prohibition on insider trading described in this Policy Statement shall also apply to trading in the stock of any other companies, including Chesapeake customers, suppliers and other companies with which Chesapeake does business, is negotiating a contract or transaction, or has an ongoing business relationship based upon material, nonpublic information relating to such other companies which is obtained by a Chesapeake director, officer or employee in the course of his or her service to or employment by Chesapeake.

B. The Reasons for this Policy Statement

Under the federal securities laws, it is unlawful for any director, officer or employee of, or any person otherwise associated with, a public company to trade, or to enable others to trade, in the stock of that company while he or she is in possession of material, nonpublic information. The consequences of insider trading violations can be significant.

For individuals who trade on inside information (or who disclose inside information to others who trade), the consequences include the following:

- A criminal prosecution can result in a fine of up to $5 million (no matter how small the profit gained or loss avoided) and imprisonment for up to 20 years.

- A civil action brought by the Securities and Exchange Commission (the "SEC") can result in a penalty of up to three times the amount of the profit gained or the loss avoided.

- A civil action brought by a private plaintiff who contemporaneously traded in Chesapeake stock can result in damages of up to the amount of the profit gained or the loss avoided.

- The SEC has the authority to obtain a court order that bars a director or officer who has engaged in insider trading from serving, either permanently or for a period of time, as a director or officer of a public company.

Additionally, a person who does not trade on inside information himself or herself, but who, at the time of the trade on inside information, directly or indirectly controlled the person who committed such a violation can also be subject to a civil penalty not to exceed the greater of $1 million or three times the profit gained or loss avoided as a result of the employee's violation. Also, if the controlling person is an entity, the controlling person can be subject to a criminal penalty of up to $25 million.

By exposing Chesapeake to the potential for liability for failing to take appropriate steps to prevent violations by employees, insider trading can generate significant adverse publicity and, as a result, cause a substantial loss of confidence by the public and the securities markets in Chesapeake and its stock. Such a loss of confidence could have

an adverse impact on the price of Chesapeake stock to the detriment of Chesapeake and its shareholders.

C. Chesapeake's Policies Applicable to Directors, Officers and All Employees

If a director, officer or employee has material, nonpublic information relating to Chesapeake, it is Chesapeake's policy that neither that person nor any Related Person may (i) buy or sell Chesapeake stock, (ii) advise any person or entity to buy or sell Chesapeake stock, or (iii) engage in any other action to take advantage of, or pass on to others, the information (other than for a valid business purpose) until such information becomes public or is no longer material. Such prohibitions include making an initial election to purchase Chesapeake stock under Chesapeake's Dividend Reinvestment and Direct Stock Purchase Plan or similar plans, or making changes in elections or reallocations of investments in Chesapeake stock in such plan.

For purposes of insider trading liability, it does not matter that a transaction may be necessary or justifiable for independent reasons (such as the need to raise money for an independent expenditure) or that delaying the transaction until the material, nonpublic information is disclosed or ceases to be material might cause the director, officer or employee to incur a financial loss.

A *bona fide* gift of Chesapeake stock is not considered trading for purposes of insider trading liability. Of course, the recipient of a gift who is a Related Person of a Chesapeake director, officer or employee would be subject to the restrictions of this Policy Statement in connection with the gifted stock.

It is also Chesapeake's policy that Chesapeake directors, officers and employees, and their Related Persons, may not purchase or sell, or recommend to another person to purchase or sell, stock of another company if such director, officer or employee learns of material, non-public information about the other company in the course of his or her service to, or employment with, Chesapeake.

1. Definition of Material Information

In general, information is considered material as it relates to Chesapeake if a reasonable investor would: (a) consider the information important in deciding whether to purchase, sell, or hold Chesapeake stock or (b) view the disclosure of the information as altering the total mix of publicly available information with respect to the security or the issuer of the security. While this standard is not always easy to apply, information in the following categories almost always is regarded as material:

- any information that could reasonably be expected to affect the price of the security, whether positively or negatively
- negotiations concerning a merger or other business combination transaction
- negotiations concerning or information regarding entry into a material agreement
- acquisitions or dispositions of a material amount of assets
- new strategic relationships or sources of financing, or the loss thereof
- corporate restructurings

- regulatory rulings
- unanticipated changes in the level of sales, earnings or expenses
- periodic results of operations prior to their release and dissemination to the public
- projections of future earnings or losses that have not been publicly disclosed
- credit rating changes
- the announcement or declaration of a stock split, dividend or stock repurchase program
- equity or debt offerings
- management changes
- reduction in workforce
- new products or discoveries that could have a material financial impact on the company
- the gain or loss of a significant customer
- restatement of financials
- earnings information
- impending bankruptcy filings
- significant legal exposure due to actual, pending, or threatened litigation or governmental actions or investigations
- changes in Chesapeake's auditors or a notification from its auditors that Chesapeake may no longer rely on the auditors' audit report
- changes in dividend policies
- material changes in financial liquidity
- material cybersecurity incident

If any director, officer or employee of Chesapeake has questions as to the materiality of any nonpublic information, he or she should contact the General Counsel or Chief Financial Officer of Chesapeake for guidance. When in doubt as to the materiality of any nonpublic information, Chesapeake's directors, officers and employees and their Related Persons are urged to refrain from trading or taking any other action to take advantage of, or pass on to others, the nonpublic information.

2. Public Disclosure

Information is considered nonpublic if it has not been fully disclosed. Disclosure of material information to the public generally means the disclosure of the information in a filing with the SEC (such as Chesapeake's Forms 10-K, 10-Q or 8-K), a company press release to the national wire services, or publication of the information in a nationwide publication such as *The Wall Street Journal*. More limited dissemination of the information, such as in a company communication to employees (even if it is to all employees generally) does not qualify as public disclosure. In addition, to ensure adequate disclosure, sufficient time should be permitted to allow the securities markets an opportunity to digest the news. Generally, two full trading days following the filing, release or publication is regarded as sufficient for dissemination and interpretation of material information by the securities markets.

If any director, officer or employee of Chesapeake has questions as to whether certain information is public, he or she should contact the General Counsel or Chief Financial Officer of Chesapeake for guidance. When in doubt as to whether certain information is

public, Chesapeake's directors, officers and employees and their Related Persons are urged to refrain from trading or taking any other action to take advantage of, or pass on to others, the nonpublic information.

3. Tipping

Under this Policy Statement, Chesapeake directors, officers and employees who cannot trade in Chesapeake stock by reason of the possession of material, nonpublic information also may not either (i) disclose such information to any other person for the purpose of allowing any other person to trade in Chesapeake stock or (ii) provide trading advice with respect to Chesapeake stock (even though the nonpublic information that is the basis for the advice is not disclosed to the person). Any such disclosure or trading advice (a practice referred to as "tipping") also would violate the federal securities laws and can result in liability for both the tipper and the tippee.

4. *Additional Prohibited Transactions*

Because Chesapeake believes that it is improper and inappropriate for any Chesapeake directors, officers and employees to engage in short-term or speculative transactions involving Chesapeake stock, it is Chesapeake's policy that directors, officers and employees should not engage in any of the following activities with respect to Chesapeake securities:

(a) Trading in securities on a short-term basis. Any Chesapeake stock purchased in the open market must be held for a minimum of six months and preferably longer.

(b) Gifting of Securities. No director, officer, employee or any Related Person may make a gift, or other transfer without consideration, of Company securities during a period when Chesapeake directors, officers and employees are prohibited by the Company to trade in Chesapeake stock.

(c) Shares held by an Entity. No entity over which a Chesapeake director, officer or employee has or shares voting or investment control may distribute securities of the Company to its limited partners, general partners, members, shareholders or other equity holders during a period when Chesapeake directors, officers and employees are prohibited by the Company to trade in Chesapeake stock.

(d) Purchases of Chesapeake securities on margin. At the time of the purchase of Chesapeake stock, Chesapeake directors, officers and employees must pay the entire purchase price in cash and not "buy on margin" or rely on a margin loan from their broker. "Buying on margin" refers to the practice of borrowing money that is used to purchase securities. A "margin loan" is typically a loan from the broker to the customer to enable the customer to purchase securities, and the loan is collateralized by the securities and cash.

(e) Short sales. Chesapeake directors, officers and employees are permitted to sell only shares of Chesapeake stock that they actually own and may not engage in short sales. A "short sale" is where a person does not actually own the securities sold. Instead, he or she borrows the securities to make delivery to the buyer, and later buys an identical number of shares on the open market to pay back the lender. In the case of directors and officers, short sales of Chesapeake stock not only are in violation of this Policy Statement, but also are illegal under the federal securities laws.

(f) Buying and selling options. Chesapeake directors, officers and employees may not engage in any transactions in put options, call options or other derivative

securities. A purchase or sale in options on an exchange is, in effect, a bet on the short-term movement of the company's stock price and therefore, can create the appearance that a person is trading based on inside information. For example, a "put option" is an option contract that gives the owner the right to sell a specified amount of an underlying security at a specified priced within a specified time. A "call option" gives the owner the right to buy shares.

(g) Buying and selling futures contracts. Chesapeake directors, officers and employees may not engage in the purchase or sale of futures contracts on Chesapeake stock. A "futures contract" is a financial contract which obligates the buyer to purchase an asset, or the seller to sell an asset, at a predetermined future date and price.

(h) Hedging Transactions. Chesapeake directors, officers and employees may not engage in hedging transactions related to Chesapeake stock. Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow a director, officer or an employee to lock in much of the value of his or her stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow the director, officer or employee to continue to own the covered securities, but without the full risks and rewards of ownership. This may result in directors, officers or employees no longer having the same objectives as Chesapeake's other shareholders.

(i) Pledges of Securities. Securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Securities held in a margin account may be sold by the broker with the customer's consent if the customer fails to meet a margin call. Because a foreclosure or margin sale may occur at a time when the pledgor is aware of material, non-public information relating to Chesapeake, or otherwise is not permitted to trade in Chesapeake stock, directors, officers and employees and their Related Persons are prohibited from pledging Chesapeake stock as collateral for a loan or holding Chesapeake stock in a margin account.

D. Additional Policies Applicable to Directors, Officers, Designated Employees and Related Persons

In addition to all other policies, procedures, laws and regulations applicable to transactions by directors, officers and employees in Chesapeake stock, all transactions in Chesapeake stock by Chesapeake directors, officers, Designated Employees and their Related Persons (collectively, "Covered Persons"), are prohibited unless executed during a trading window**.** IT IS IMPORTANT TO KEEP IN MIND THAT, EVEN DURING TRADING WINDOW PERIODS, THE PROHIBITION ON TRADING ON MATERIAL NONPUBLIC INFORMATION CONTINUES TO APPLY.

This prohibition applies to all transactions in Chesapeake stock, including, but not limited to, to purchases or sales in private transactions or through the New York Stock Exchange, gifts, stock option exercises and sales of stock acquired upon the exercise of options. The trading window requirement also applies to any initial elections, any election changes a Covered Person may make under Chesapeake's Dividend Reinvestment and Direct Stock Purchase Plan and similar plans, or any reallocation of investments in Chesapeake's stock pursuant to such plans. The trading window requirements, however, do not apply to purchases of Chesapeake's stock pursuant to

the Dividend Reinvestment and Direct Stock Purchase Plan and similar plans once such elections are made.

1. Trading Window Restrictions

All Covered Persons are permitted to trade in Chesapeake stock only during prescribed trading window periods. There are four trading window periods per year. Each trading window period begins on the second trading day after the public release by Chesapeake of its quarterly (or, in the case of the fourth quarter, annual) financial results and ends four days before the last day of the quarter.

2. Event-Specific Trading Restriction Periods

From time to time, an event may occur that is material to Chesapeake and is known by only a few directors, officers and/or employees. So long as the event remains material and nonpublic, persons associated with the Company who have knowledge of the event may not trade in Chesapeake stock. The existence of an event-specific trading restriction period will not be announced to Chesapeake as a whole, and should not be communicated to any other person.

3. Compliance Procedures for Approved Trading Plans

Under Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the purchase or sale of a security by a person who at the time of the trade is in possession of material, nonpublic information will not violate the insider trading laws if the transaction is in accordance with a plan adopted by the person before he or she comes into possession of the material, nonpublic information that otherwise would prevent the transaction. Notwithstanding the general prohibition against trading while aware of, or in possession of, material, nonpublic information, Covered Persons may execute trades in Chesapeake stock if such trades are pursuant to a prearranged written contract, instruction or plan that (i) complies with Rule 10b5-1 of the Exchange Act; (ii) is entered into during a trading window period and at a time when such Covered Person is not aware of, or in possession of, any material, nonpublic information; and (iii) is approved by Chesapeake's Chief Financial Officer. In the event Chesapeake's Chief Financial Officer is not available Chesapeake's General Counsel or Chief Executive Officer may approve the plan.

A Covered Person shall seek pre-clearance of a plan at least five trading days in advance of the time he or she intends to implement it. Chesapeake is not obligated to approve a plan submitted for pre-clearance and may deny clearance based on criteria or circumstances deemed appropriate by the Chief Executive Officer, Chief Financial Officer or General Counsel.

In order to comply with Rule 10b5-1 of the Exchange Act, a trading plan must meet all of the following conditions:

(a) At a time when the person is not in possession of the material, nonpublic information, the person (i) enters into a binding contract to purchase or sell Chesapeake stock, (ii) instructs another person in writing to purchase or sell Chesapeake stock for

the instructing person's account, or (iii) adopts a written plan for trading in Chesapeake stock.

(b) The binding contract, written instruction or written plan specifies:

- the amount of stock to be purchased or sold (either by number of shares or dollar value).
- the price at which the stock is to be purchased or sold (either at the market price or a limit price).
- the date on which the stock is to be purchased or sold (either a specific date or the number of days during which the limit order is in force).

(c) The binding contract, written instruction or written plan does not permit the person to exercise any subsequent influence over how, when, or whether to effect such purchases or sales; provided, in addition, that any other person who, pursuant to the contract, instruction, or plan, did exercise such influence must not have been aware of the material nonpublic information when doing so.

(d) The binding contract, written instruction or written plan must be given or entered into in good faith and not as a part of a plan or scheme to evade the prohibitions of Rule 10b5-1.

(e) The binding contract, written instruction or written plan complying with the foregoing and all applicable laws and regulations is approved in advance by the Chief Financial Officer of Chesapeake (an "Approved Plan").

Any person with an Approved Plan shall not, without the prior written consent of Chesapeake's Chief Financial Officer, or in the absence of the Chief Financial Officer, Chesapeake's General Counsel or Chief Executive Officer, alter or deviate from the Approved Plan or enter into or alter a corresponding or hedging transaction or position to offset or reduce the risk associated with the transaction(s) contemplated by the Approved Plan. Additionally, such person shall report to Chesapeake's Chief Financial Officer (i) all transactions made pursuant to the Approved Plan and (ii) the completion or termination of the Approved Plan.

E. Pre-Trading Notification and Post-Trading Notification

Directors and Executive Officers are required to submit a Pre-Trading Notification Form to the Company no later than the business day prior to the desired trading date.

Directors and Executive Officers are required to submit a Post-trading Purchase and Sale Form to the Company on the same day a trade is executed. Once this form is received by the Company, an e-mail confirming the receipt of same will be sent to the director or executive officer.

F. Post-Termination Transactions

This Policy Statement continues to apply to transactions in Chesapeake stock even after termination of service to Chesapeake. If an individual is in possession of material, nonpublic information when his or her service terminates, that individual may not trade in Chesapeake stock until that information has become public or is no longer material.

G. Company Assistance

Any person who has any questions about specific transactions may obtain additional guidance from the General Counsel or Chief Financial Officer at our Corporate Office in Dover, Delaware. Remember, however, the ultimate responsibility for adhering to this Policy Statement and avoiding improper transactions rests with you. In this regard, it is imperative that you use your best judgment.

H. Certifications

Directors, officers and employees will be required to certify their understanding of and intent to comply with this Policy Statement. Directors, officers and Designated Employees may be required to certify compliance on an annual basis.

I. Reporting of Violations

Any employee, officer or director who violates this policy or any federal or state laws governing insider trading or tipping, or knows of any such violation by any other employee, officer or director, must report the violation immediately to the Chief Executive Officer or Chief Financial Officer. Upon learning of any such violation, the Chief Executive Officer, Chief Financial Officer, and the Company's General Counsel will determine whether the Company should release any material nonpublic information, or whether the Company should report the violation to the SEC or other appropriate governmental authority.

J. Policy Modifications or Waivers

The Company's Board of Directors reserves the right in its sole discretion to modify or grant waivers to this policy; provided that the Board of Directors may not grant a waiver for or with respect to any violation of applicable laws, rules or regulations. Any amendments or waivers may be publicly disclosed if required by applicable laws, rules and regulations.

Chesapeake Utilities Corporation
Subsidiaries of the Registrant

Subsidiaries	**State Incorporated**
Eastern Shore Natural Gas Company	Delaware
Sharp Energy, Inc.	Delaware
Chesapeake Service Company	Delaware
Chesapeake OnSight Services LLC	Delaware
Peninsula Energy Services Company, Inc.	Delaware
Peninsula Pipeline Company, Inc.	Delaware
Florida Public Utilities Company	Florida
Sandpiper Energy, Inc.	Delaware
Aspire Energy of Ohio, LLC	Delaware
Aspire Energy Express, LLC	Delaware
Marlin Gas Services, LLC	Delaware
Chesapeake Utilities of Maryland, Inc.	Maryland
OnSight Renewables, LLC	Delaware
Chesapeake Emergency Energy Recipient Program, Inc.	Delaware
CUC Shared Services, Inc.	Delaware
Pivotal Utility Holdings, Inc.	New Jersey

Subsidiary of Sharp Energy, Inc.	**State Incorporated**
Sharpgas, Inc.	Delaware

Subsidiary of Florida Public Utilities Company	**State Incorporated**
Flo-Gas Corporation	Florida
FPU Renewables, LLC	Delaware

Subsidiaries of Chesapeake Service Company	**State Incorporated**
Skipjack, Inc.	Delaware
Chesapeake Investment Company	Delaware
Eastern Shore Real Estate, Inc.	Delaware

Subsidiaries of Chesapeake OnSight Services LLC	**State Incorporated**
Eight Flags Energy, LLC	Delaware
Amelia Island Energy, LLC	Delaware

Subsidiaries of OnSight Renewables, LLC	**State Incorporated**
Amelia Renewables, LLC	Delaware
Blue Peake LNG, LLC	Delaware
Marlin Compression, LLC	Delaware

Subsidiary of Eastern Shore Natural Gas Company	**State Incorporated**
Planet Found Energy Development, LLC	Maryland

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3ASR (Nos. 333-289843, 333-274284 and 333-274203), Form S-8 (No. 333-271610) and Form S-4 (No. 333-201992) of Chesapeake Utilities Corporation of our report dated February 25, 2026, relating to the consolidated financial statements, financial statement schedule, and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ Baker Tilly US, LLP

Philadelphia, Pennsylvania
February 25, 2026

EXHIBIT 31.1

CERTIFICATE PURSUANT TO RULE 13A-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Jeffry M. Householder, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2025 of Chesapeake Utilities Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2026

/s/ JEFFRY M. HOUSEHOLDER

Jeffry M. Householder
Chair of the Board, President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATE PURSUANT TO RULE 13A-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Beth W. Cooper, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2025 of Chesapeake Utilities Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2026

/S/ BETH W. COOPER

Beth W. Cooper
Executive Vice President, Chief Financial Officer,Treasurer, and Assistant Corporate Secretary

EXHIBIT 32.1

Certificate of Chief Executive Officer

of

Chesapeake Utilities Corporation

(pursuant to 18 U.S.C. Section 1350)

I, Jeffry M. Householder, Chair of the Board, President and Chief Executive Officer of Chesapeake Utilities Corporation, certify that, to the best of my knowledge, the Annual Report on Form 10-K of Chesapeake Utilities Corporation for the year ended December 31, 2025, filed with the Securities and Exchange Commission on the date hereof (i) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained therein fairly presents, in all material respects, the financial condition and results of operations of Chesapeake Utilities Corporation.

/s/ JEFFRY M. HOUSEHOLDER

Jeffry M. Householder
February 25, 2026

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Chesapeake Utilities Corporation and will be retained by Chesapeake Utilities Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

Certificate of Chief Financial Officer

of

Chesapeake Utilities Corporation

(pursuant to 18 U.S.C. Section 1350)

I, Beth W. Cooper, Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary of Chesapeake Utilities Corporation, certify that, to the best of my knowledge, the Annual Report on Form 10-K of Chesapeake Utilities Corporation for the year ended December 31, 2025, filed with the Securities and Exchange Commission on the date hereof (i) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) the information contained therein fairly presents, in all material respects, the financial condition and results of operations of Chesapeake Utilities Corporation.

/S/ BETH W. COOPER

Beth W. Cooper
February 25, 2026

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Chesapeake Utilities Corporation and will be retained by Chesapeake Utilities Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

EXECUTION VERSION

CHESAPEAKE UTILITIES CORPORATION

$200,000,000

4.88% Series 2025-A Senior Notes due August 1, 2028
5.16% Series 2025-B Senior Notes due August 1, 2031
5.02% Series 2025-C Senior Notes due September 15, 2030

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NOTE PURCHASE AGREEMENT

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Dated as of August 1, 2025

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CHESAPEAKE UTILITIES CORPORATION
500 Energy Lane, Suite 400
Dover, Delaware 19901

4.88% Series 2025-A Senior Notes due August 1, 2028
5.16% Series 2025-B Senior Notes due August 1, 2031
5.02% Series 2025-C Senior Notes due September 15, 2030

Dated as of August 1, 2025

TO EACH OF THE PURCHASERS
LISTED IN SCHEDULE B HERETO:

Ladies and Gentlemen:

CHESAPEAKE UTILITIES CORPORATION, a Delaware corporation (together with any successor thereto that becomes a party hereto pursuant to Section 10.2, the **"Company"**), agrees with each of the Purchasers as follows:

SECTION 1. AUTHORIZATION OF NOTES.

The Company will authorize the issue and sale of $200,000,000 aggregate principal amount of its senior notes, consisting of (a) $60,000,000 aggregate principal amount of its 4.88% Series 2025-A Senior Notes due August 1, 2028 (the **"Series A Notes"**), (b) $90,000,000 aggregate principal amount of its 5.16% Series 2025-B Senior Notes due August 1, 2031 (the **"Series B Notes"**) and (c) $50,000,000 aggregate principal amount of its 5.02% Series 2025-C Senior Notes due September 15, 2030 (the **"Series C Notes"** and, together with the Series A Notes and the Series B Notes, collectively, the **"Notes"**). The Series A Notes, the Series B Notes and the Series C Notes shall be substantially in the forms set out in Schedule 1(a), Schedule 1(b) and Schedule 1(c), respectively. Certain capitalized and other terms used in this Agreement are defined in Schedule A and, for purposes of this Agreement, the rules of construction set forth in Section 22.4 shall govern.

SECTION 2. SALE AND PURCHASE OF NOTES.

Subject to the terms and conditions of this Agreement, the Company will issue and sell to each Purchaser and each Purchaser will purchase from the Company, at the applicable Closing provided for in Section 3, Notes of the series and in the principal amount specified opposite such Purchaser's name in Schedule B at the purchase price of 100% of the principal amount thereof. The Purchasers' obligations hereunder are several and not joint obligations and no Purchaser shall have any liability to any Person for the performance or non-performance of any obligation by any other Purchaser hereunder.

SECTION 3. CLOSINGS.

The sale and purchase of the Notes to be purchased by each Purchaser thereof shall occur at the offices of ArentFox Schiff LLP, 1301 Avenue of the Americas, 42nd Floor, New York, New York 10019. The sale and purchase of the Series A Notes and the Series B Notes (the "**First Closing**") shall occur at 11:00 a.m., New York time, on August 1, 2025 (the "**First Closing Date**"). The sale and purchase of the Series C Notes (the "**Second Closing**" and, together with the First Closing, each a "**Closing**") shall occur at 11:00 a.m., New York time, on September 15, 2025 (the "**Second Closing Date**" and, together with the First Closing Date, each a "**Closing Date**"). At each Closing, the Company will deliver to each Purchaser the Notes of each series to be purchased by such Purchaser at such Closing in the form of a single Note of such series (or such greater number of Notes of such series in denominations of at least $100,000 as such Purchaser may request) dated the applicable Closing Date and registered in such Purchaser's name (or in the name of its nominee), against delivery by such Purchaser to the Company or its order of immediately available funds in the amount of the purchase price therefor by wire transfer to the account of the Company set forth in the funding instructions delivered pursuant to Section 4.10. If at a Closing the Company shall fail to tender to any Purchaser the Notes to be delivered to such Purchaser at such Closing as provided above in this Section 3, or any of the conditions specified in Section 4 shall not have been fulfilled to such Purchaser's satisfaction, such Purchaser shall, at its election, be relieved of all further obligations under this Agreement, without thereby waiving any rights such Purchaser may have by reason of any of the conditions specified in Section 4 not having been fulfilled to such Purchaser's satisfaction or such failure by the Company to tender such Notes.

SECTION 4. CONDITIONS TO CLOSINGS.

Each Purchaser's obligation to purchase and pay for the Notes to be sold to such Purchaser at a Closing is subject to the fulfillment to such Purchaser's satisfaction, prior to or at such Closing, of the following conditions:

Section 4.1 Representations and Warranties. The representations and warranties of the Company in this Agreement shall be correct when made and at the applicable Closing; *provided* that the Company shall be permitted to make additions and deletions to Schedule 5.4 after the First Closing Date but prior to the Second Closing Date, so long as (a) the Company shall have provided an updated copy of such Schedule to such Purchaser not less than five Business Days prior to the Second Closing and (b) any such additions or deletions are in all respects satisfactory to such Purchaser as a condition to its obligation to purchase and pay for the Notes to be sold to it on the Second Closing Date.

Section 4.2 Performance; No Default. The Company shall have performed and complied with all agreements and conditions contained in this Agreement required to be performed or complied with by it prior to or at such Closing. Before and after giving effect to the issue and sale of the Notes (and the application of the proceeds thereof as contemplated by Section 5.14), no Default or Event of Default shall have occurred and be continuing.

Section 4.3 Compliance Certificates.

(a) *Officer's Certificate*. The Company shall have delivered to such Purchaser an Officer's Certificate, dated the applicable Closing Date, certifying that the conditions specified in Sections 4.1, 4.2, 4.9 and 4.11 have been fulfilled.

(b) *Secretary's Certificate*. The Company shall have delivered to such Purchaser a certificate of its Secretary or Assistant Secretary, dated the applicable Closing Date, certifying as to (1) the resolutions attached thereto and other corporate proceedings and governmental approvals, if any, relating to the authorization, execution and delivery of this Agreement and the Notes, (2) the Company's organizational documents as then in effect and (3) the names and true signatures of the officers of the Company authorized to sign this Agreement and the Notes and the other documents to be delivered hereunder.

(c) *Good Standing*. A good standing certificate for the Company from the Secretary of State of the State of Delaware dated of a recent date prior to the applicable Closing Date and such other evidence of the status of the Company as such Purchaser may reasonably request.

Section 4.4 Opinions of Counsel. Such Purchaser shall have received opinions, dated the applicable Closing Date (a) from Baker & Hostetler LLP, counsel for the Company, in the form attached hereto as Schedule 4.4(a) (and the Company hereby instructs its counsel to deliver such opinion to the Purchasers), (b) from Parkowski, Guerke & Swayze, P.A., Delaware counsel for the Company, in the form attached hereto as Schedule 4.4(b) (and the Company hereby instructs its Delaware counsel to deliver such opinion to the Purchasers), (c) from Venable LLP, Maryland counsel for the Company, in the form attached hereto as Schedule 4.4(c) (and the Company hereby instructs its Maryland counsel to deliver such opinion to the Purchasers), (d) from Gunster, Yoakley & Stewart, P.A., Florida counsel for the Company, in the form attached hereto as Schedule 4.4(d) (and the Company hereby instructs its Florida counsel to deliver such opinion to the Purchasers) and (e) from ArentFox Schiff LLP, the Purchasers' special counsel in connection with such transactions, substantially in the form set forth in Schedule 4.4(e) and covering such other matters incident to such transactions as such Purchaser may reasonably request.

Section 4.5 Purchase Permitted by Applicable Law, Etc. On the applicable Closing Date, such Purchaser's purchase of Notes shall (a) be permitted by the laws and regulations of each jurisdiction to which such Purchaser is subject, without recourse to provisions (such as section 1405(a)(8) of the New York Insurance Law) permitting limited investments by insurance companies without restriction as to the character of the particular investment, (b) not violate any applicable law or regulation (including Regulation T, U or X of the Board of Governors of the Federal Reserve System) and (c) not subject such Purchaser to any tax, penalty or liability under or pursuant to any applicable law or regulation, which law or regulation was not in effect on the date of this Agreement. If requested by such Purchaser, such Purchaser shall have received an

Officer's Certificate certifying as to such matters of fact as such Purchaser may reasonably specify to enable such Purchaser to determine whether such purchase is so permitted.

Section 4.6 Sale of Other Notes.

(a) At such Closing, the Company shall sell to each other Purchaser and each other Purchaser shall purchase the Notes to be purchased by it at such Closing as specified in Schedule B.

(b) Prior to the Second Closing, the applicable Purchasers shall have purchased the Notes to be purchased by them at the First Closing as specified in Schedule B.

Section 4.7 Payment of Special Counsel Fees. Without limiting Section 15.1, the Company shall have paid on or before the applicable Closing Date the fees, charges and disbursements of the Purchasers' special counsel referred to in Section 4.4(e) to the extent reflected in a statement of such counsel rendered to the Company at least one Business Day prior to the applicable Closing Date.

Section 4.8 Private Placement Number. A Private Placement Number issued by CUSIP Global Services (in cooperation with the SVO) shall have been obtained for each series of the Notes.

Section 4.9 Changes in Corporate Structure. The Company shall not have changed its jurisdiction of incorporation or organization, as applicable, or been a party to any merger or consolidation or succeeded to all or any substantial part of the liabilities of any other entity, at any time following the date of the most recent financial statements referred to in Schedule 5.5, except for any such transaction where the Company is (a) in compliance with Section 10.2 and (b) the surviving or acquiring corporation.

Section 4.10 Funding Instructions. At least five Business Days prior to the applicable Closing Date, each Purchaser shall have received written instructions signed by a Responsible Officer on letterhead of the Company directing the manner of the payment of the purchase price for the Notes and setting forth (a) the name and address of the transferee bank and the name, email address and telephone number of a contact person at such bank, (b) such transferee bank's ABA number, (c) the account name and number into which the purchase price for the Notes is to be deposited, which account shall be fully opened and able to receive micro deposits in accordance with this Section at least five Business Days prior to the applicable Closing Date and (d) the name, email address and telephone number of a Responsible Officer of the Company responsible for (1) verifying receipt of the funds and (2) verifying the information set forth in the instructions. At the request of any Purchaser (which may be by email), an identifiable Responsible Officer shall confirm the written instructions by a live videoconference made available to the Purchasers no later than two Business Days prior to the applicable Closing Date. Each Purchaser has the right, but not the obligation, upon written notice (which may be by email) to the Company, to elect to deliver a micro deposit (less than $51.00) to the account identified in the written instructions no later than two Business Days prior to the applicable Closing. If a

Purchaser delivers a micro deposit, a Responsible Officer must verbally verify the receipt and amount of the micro deposit to such Purchaser on a telephone call initiated by such Purchaser prior to the applicable Closing. The Company shall not be obligated to return the amount of the micro deposit, nor will the amount of the micro deposit be netted against the Purchaser's purchase price of the Notes.

Section 4.11 Diversification Event. No Diversification Event shall have occurred.

Section 4.12 Delaware and Florida Public Utilities Commission Filings. Such Purchaser shall have received complete and correct copies of the orders of the Delaware and Florida State Commissions referred to in Section 5.7, which orders shall be satisfactory to such Purchaser and shall be final and in full force and effect. No appeal, review or contest thereof shall be pending, and, as of the Closing Date for the Notes to be issued thereunder, the time for appeal or to seek review or reconsideration of such orders shall have expired. Each condition contained in any order shall have been satisfied to such Purchaser's reasonable satisfaction.

Section 4.13 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated by this Agreement and all documents and instruments incident to such transactions shall be reasonably satisfactory to such Purchaser and its special counsel, and such Purchaser and its special counsel shall have received all such counterpart originals or certified or other copies of such documents as such Purchaser or such special counsel may reasonably request.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.

On each Closing Date, the Company represents and warrants to each Purchaser that:

Section 5.1 Organization; Power and Authority. The Company is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation, and is duly qualified as a foreign corporation and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Company has the corporate power and authority to own or hold under lease the properties it purports to own or hold under lease, to transact the business it transacts and currently proposes to transact, to execute and deliver this Agreement and the Notes and to perform the provisions hereof and thereof.

Section 5.2 Authorization, Etc. This Agreement and the Notes have been duly authorized by all necessary corporate action on the part of the Company, and this Agreement constitutes, and upon execution and delivery thereof each Note will constitute, a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 5.3 Disclosure. The Company, through its agent, PNC Capital Markets LLC, has delivered to each Purchaser a copy of an Investor Presentation, dated July 15, 2025 (the **"Investor Presentation"**), relating to the transactions contemplated hereby. This Agreement, the Investor Presentation, the financial statements listed in Schedule 5.5 and the documents, certificates or other writings delivered to the Purchasers by or on behalf of the Company prior to July 24, 2025 in connection with the transactions contemplated hereby and identified in Schedule 5.3 (this Agreement, the Investor Presentation and such documents, certificates or other writings and such financial statements delivered to each Purchaser being referred to, collectively, as the **"Disclosure Documents"**), taken as a whole, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made. Except as disclosed in the Disclosure Documents, since December 31, 2024, there has been no change in the financial condition, operations, business or properties of the Company or any Subsidiary except changes that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 5.4 Organization and Ownership of Shares of Subsidiaries.

(a) Schedule 5.4, as such Schedule may be updated in accordance with Section 4.1, is (except as noted therein) a complete and correct list of the Company's Subsidiaries, showing, as to each Subsidiary, the name thereof, the jurisdiction of its organization, and the percentage of shares of each class of its capital stock or similar equity interests outstanding owned by the Company and each other Subsidiary.

(b) All of the outstanding shares of capital stock or similar equity interests of each Subsidiary shown in Schedule 5.4, as such Schedule may be updated in accordance with Section 4.1, as being owned by the Company and its Subsidiaries have been validly issued, are fully paid and non-assessable and are owned by the Company or another Subsidiary free and clear of any Lien that is prohibited by this Agreement.

(c) Each Subsidiary is a corporation or other legal entity duly organized, validly existing and, where applicable, in good standing under the laws of its jurisdiction of organization, and is duly qualified as a foreign corporation or other legal entity and, where applicable, is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each such Subsidiary has the corporate or other power and authority to own or hold under lease the properties it purports to own or hold under lease and to transact the business it transacts and currently proposes to transact.

Section 5.5 Financial Statements; Material Liabilities. The Company has delivered to each Purchaser copies of (a) the consolidated financial statements of the Company and its Subsidiaries and (b) the financial statements of Pivotal Utility, in each case listed on Schedule 5.5. All of such financial statements (including in each case the related schedules and notes) fairly present in all material respects the consolidated financial position of the Company and its Subsidiaries or Pivotal Utility, as the case may be, as of the respective dates specified in such Schedule and the results or consolidated results of their operations and cash flows for the respective periods so specified and (1) in the case of the consolidated financial statements of the

Company and its Subsidiaries, have been prepared in accordance with GAAP and (2) in the case of the financial statements of Pivotal Utility, have been prepared in accordance with the accounting requirements of FERC as set forth in its applicable Uniform System of Accounts and published accounting releases (in each case consistently applied throughout the periods involved except as set forth in the notes thereto (subject, in the case of any interim financial statements, to audits and normal year-end adjustments). Neither the Company and its Subsidiaries nor Pivotal Utility have any Material liabilities that are not disclosed in the Disclosure Documents.

Section 5.6 Compliance with Laws, Other Instruments, Etc. The execution, delivery and performance by the Company of this Agreement and the Notes will not (a) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any property of the Company or any Subsidiary under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, corporate charter or by-laws, shareholders agreement or any other Material agreement or instrument to which the Company or any Subsidiary is bound or by which the Company or any Subsidiary or any of their respective properties may be bound or affected, (b) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree or ruling of any court, arbitrator or Governmental Authority applicable to the Company or any Subsidiary, (c) violate any provision of any statute or other rule or regulation of any Governmental Authority applicable to the Company or any Subsidiary or (d) contravene, result in any breach of, or constitute a default under any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, shareholders agreement or any other agreement or instrument to which the Company or any Subsidiary is bound or by which the Company or any Subsidiary or any of their respective properties may be bound or affected if such contravention, breach or default could reasonably be expected to result in any liability to any Purchaser.

Section 5.7 Governmental Authorizations, Etc. No consent, approval or authorization of, or registration, filing or declaration with, any Governmental Authority is required in connection with the execution, delivery or performance by the Company of this Agreement or the Notes, including the Maryland State Commission other than (a) routine filings after the First Closing Date with the SEC and/or state Blue Sky authorities, if any, (b) Order No. 10319 of the Public Service Commission of the State of Delaware entered in PSC Docket No. 23-1306 dated October 25, 2023, (c) Order No. 9843 of the Public Service Commission of the State of Delaware entered in PSC Docket No. 21-0465 dated July 14, 2021, (d) Order No. 10778 of the Public Service Commission of the State of Delaware entered in PSC Docket No. 25-0627 dated July 23, 2025, (e) Order No. PSC-2025-0032-FOF-GU of the Florida Public Service Commission entered in Docket No 20240154-GU, dated January 27, 2025, and (f) subsequent annual orders of the Florida Public Service Commission issued after the First Closing Date, which orders have been duly issued, are final and in full force and effect, and, on the Closing Date for the Notes to be issued thereunder, no appeal, review or contest thereof is pending and the time for appeal or to seek review or reconsideration thereof has expired.

Section 5.8 Litigation; Observance, Statutes and Orders.

(a) There are no actions, suits, investigations or proceedings pending or, to the best knowledge of the Company, threatened against or affecting the Company or any Subsidiary or any property of the Company or any Subsidiary in any court or before any

arbitrator of any kind or before or by any Governmental Authority that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) Neither the Company nor any Subsidiary is (1) in violation of any order, judgment, decree or ruling of any court, arbitrator or Governmental Authority or (2) in violation of any applicable law, ordinance, rule or regulation of any Governmental Authority (including Environmental Laws, the USA PATRIOT Act or any of the other laws and regulations that are referred to in Section 5.16), in each case, which violation would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 5.9 Taxes. The Company and its Subsidiaries have filed all tax returns that to the knowledge of the Company are required to have been filed in any jurisdiction, and have paid all taxes shown to be due and payable on such returns and all other taxes and assessments payable by them, to the extent such taxes and assessments have become due and payable and before they have become delinquent, except for any taxes and assessments (a) the amount of which, individually or in the aggregate, is not Material or (b) the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which the Company or a Subsidiary, as the case may be, has established adequate reserves in accordance with GAAP. The U.S. federal income tax liabilities of the Company and its Subsidiaries have been finally determined (whether by reason of completed audits or the statute of limitations having run) for all fiscal years up to and including the fiscal year ended December 31, 2020.

Section 5.10 Title to Property; Leases. The Company and its Subsidiaries have good and sufficient title to their respective Material properties, including all such properties reflected in the most recent audited balance sheet referred to in Section 5.5 (except as sold or otherwise disposed of in the ordinary course of business) or purported to have been acquired by the Company or any Subsidiary after such date (except as sold or otherwise disposed of in the ordinary course of business), in each case free and clear of Liens prohibited by this Agreement, except for defects in title that, individually or in the aggregate, would not have a Material Adverse Effect. All Material leases are valid and subsisting and are in full force and effect in all material respects.

Section 5.11 Licenses, Permits, Etc. The Company and its Subsidiaries own or possess all licenses, permits, franchises, authorizations, patents, copyrights, proprietary software, service marks, trademarks and trade names, or rights thereto, that are Material, without known conflict with the rights of others, except for those conflicts that, individually or in the aggregate, would not have a Material Adverse Effect.

Section 5.12 Compliance with ERISA.

(a) The Company and each ERISA Affiliate have operated and administered each Plan in compliance with all applicable laws except for such instances of noncompliance as have not resulted in and would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. Neither the Company nor

any ERISA Affiliate has incurred any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to Plans, and no event, transaction or condition has occurred or exists that would, individually or in the aggregate, reasonably be expected to result in the incurrence of any such liability by the Company or any ERISA Affiliate, or in the imposition of any Lien on any of the rights, properties or assets of the Company or any ERISA Affiliate, in either case pursuant to Title I or IV of ERISA or to section 430(k) of the Code or to any such penalty or excise tax provisions under the Code or federal law or section 4068 of ERISA or by the granting of a security interest in connection with the amendment of a Plan, other than such penalties, excise taxes, liabilities or Liens that would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(b) The present value of the aggregate benefit liabilities under the sole Plan of the Company (other than Multiemployer Plans), determined as of December 31, 2024, which as of the date of this Agreement was the end of such Plan's most recently ended plan year, on the basis of the actuarial assumptions specified for funding purposes in such Plan's actuarial valuation report, did not exceed the aggregate current value of the assets of such Plan allocable to such benefit liabilities by more than $15,000,000 and such amounts, together with any increases therein occurring after December 31, 2024, would not reasonably be expected to result in a Material Adverse Effect. The term **"benefit liabilities"** has the meaning specified in section 4001 of ERISA and the terms **"current value"** and **"present value"** have the meaning specified in section 3 of ERISA.

(c) The Company and its ERISA Affiliates have not incurred, and do not presently expect to incur, withdrawal liabilities under section 4201 or 4204 of ERISA in respect of Multiemployer Plans that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(d) The expected postretirement benefit obligation (determined as of the last day of the Company's most recently ended fiscal year in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 715-60, without regard to liabilities attributable to continuation coverage mandated by section 4980B of the Code) of the Company and its Subsidiaries is not Material.

(e) The execution and delivery of this Agreement and the issuance and sale of the Notes hereunder will not involve any transaction that is subject to the prohibitions of section 406 of ERISA or in connection with which a tax could be imposed pursuant to section 4975(c)(1)(A)-(D) of the Code. The representation by the Company to each Purchaser in the first sentence of this Section 5.12(e) is made in reliance upon and subject to the accuracy of such Purchaser's representation in Section 6.2 as to the sources of the funds to be used to pay the purchase price of the Notes to be purchased by such Purchaser.

Section 5.13 Private Offering by the Company. Neither the Company nor anyone acting on its behalf has offered the Notes or any similar Securities for sale to, or solicited any offer to buy the Notes or any similar Securities from, or otherwise approached or negotiated in respect thereof with, any Person other than the Purchasers and not more than 45 other

Institutional Accredited Investors, each of which has been offered the Notes at a private sale for investment. Neither the Company nor anyone acting on its behalf has taken, or will take, any action that would subject the issuance or sale of the Notes to the registration requirements of section 5 of the Securities Act or to the registration requirements of any Securities or blue sky laws of any applicable jurisdiction.

Section 5.14 Use of Proceeds; Margin Regulations. The Company will apply the proceeds of the sale of the Notes hereunder for working capital and other general corporate purposes, including refinancing existing indebtedness. No part of the proceeds from the sale of the Notes hereunder will be used, directly or indirectly, for the purpose of buying or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System (12 CFR 221), or for the purpose of buying or carrying or trading in any Securities under such circumstances as to involve the Company in a violation of Regulation X of said Board (12 CFR 224) or to involve any broker or dealer in a violation of Regulation T of said Board (12 CFR 220). Margin stock does not constitute more than 5% of the value of the consolidated assets of the Company and its Subsidiaries and the Company does not have any present intention that margin stock will constitute more than 5% of the value of such assets. As used in this Section, the terms **"margin stock"** and **"purpose of buying or carrying"** shall have the meanings assigned to them in said Regulation U.

Section 5.15 Existing Indebtedness.

(a) Except as described therein, Schedule 5.15 sets forth a complete and correct list of all outstanding Indebtedness of the Company and its Subsidiaries as of March 31, 2025 (including descriptions of the obligors and obligees, principal amounts outstanding, any collateral therefor and any Guaranties thereof). Since March 31, 2025, there has been no Material change in the amounts, interest rates, sinking funds, installment payments or maturities of the Indebtedness of the Company or its Subsidiaries other than, in connection with the making of this representation on the Second Closing Date, the Indebtedness incurred from the issuance of the Series A Notes and the Series B Notes on the First Closing Date. Neither the Company nor any Subsidiary is in default and no waiver of default is currently in effect, in the payment of any principal or interest on any Indebtedness of the Company or such Subsidiary and no event or condition exists with respect to any Indebtedness of the Company or any Subsidiary that would permit (or that with notice or the lapse of time, or both, would permit) one or more Persons to cause such Indebtedness to become due and payable before its stated maturity or before its regularly scheduled dates of payment.

(b) Neither the Company nor any Subsidiary is a party to, or otherwise subject to any provision contained in, any instrument evidencing Indebtedness of the Company or such Subsidiary, any agreement relating thereto or any other agreement (including its charter or any other organizational document) that limits the amount of, or otherwise imposes restrictions on the incurring of, Indebtedness of the Company, except as disclosed in Schedule 5.15.

Section 5.16 Foreign Assets Control Regulations, Etc.

(a) Neither the Company nor any Controlled Entity (1) is a Blocked Person, (2) has been notified that its name appears or may in the future appear on a State Sanctions List or (3) is a target of sanctions that have been imposed by the United Nations or the European Union.

(b) Neither the Company nor any Controlled Entity (1) has violated, been found in violation of, or been charged or convicted under, any applicable U.S. Economic Sanctions Laws, Anti-Money Laundering Laws or Anti-Corruption Laws or (2) to the Company's knowledge, is under investigation by any Governmental Authority for possible violation of any U.S. Economic Sanctions Laws, Anti-Money Laundering Laws or Anti-Corruption Laws.

(c) No part of the proceeds from the sale of the Notes hereunder:

(1) constitutes or will constitute funds obtained on behalf of any Blocked Person or will otherwise be used by the Company or any Controlled Entity, directly or indirectly, (i) in connection with any investment in, or any transactions or dealings with, any Blocked Person, (ii) for any purpose that would cause any Purchaser to be in violation of any U.S. Economic Sanctions Laws or (iii) otherwise in violation of any U.S. Economic Sanctions Laws;

(2) will be used, directly or indirectly, in violation of, or cause any Purchaser to be in violation of, any applicable Anti-Money Laundering Laws; or

(3) will be used, directly or indirectly, for the purpose of making any improper payments, including bribes, to any Governmental Official or commercial counterparty in order to obtain, retain or direct business or obtain any improper advantage, in each case which would be in violation of, or cause any Purchaser to be in violation of, any applicable Anti-Corruption Laws.

(d) The Company has established procedures and controls which it reasonably believes are adequate (and otherwise comply with applicable law) to ensure that the Company and each Controlled Entity is and will continue to be in compliance with all applicable U.S. Economic Sanctions Laws, Anti-Money Laundering Laws and Anti-Corruption Laws.

Section 5.17 Status under Certain Statutes. The Company is not an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940. The Company is not a "holding company" or a "subsidiary company" or an "affiliate" of a "holding company" within the meaning of the Energy Policy Act of 2005, and is not a "public utility" within the meaning of the Federal Power Act. By purchasing the Notes, no Purchaser will be (a) a "public utility company," a "holding company" or an "affiliate" of a "holding company" or a "subsidiary company" of a "holding company" within the meaning of the Energy Policy Act of 2005, (b) a "transmitting utility" or an "electric utility" within the meaning of the Federal Power Act, (c) a "public utility" or an "electric utility" under Delaware law, Florida law, Maryland law or the law of any other state or (d) subject to the

jurisdiction of the FERC, the Public Service Commission of the State of Delaware, the Public Service Commission of the State of Florida or any other commission or Person in any other state.

Section 5.18 Environmental Matters.

(a) Neither the Company nor any Subsidiary has actual knowledge of any claim or has received any notice of any claim and no proceeding has been instituted asserting any claim against the Company or any of its Subsidiaries or any of their respective real properties or other assets now or formerly owned, leased or operated by any of them, alleging any damage to the environment or violation of any Environmental Laws, except, in each case, such as would not reasonably be expected to result in a Material Adverse Effect.

(b) Neither the Company nor any Subsidiary has actual knowledge of any facts which would reasonably be expected to give rise to any claim, public or private, of violation of Environmental Laws or damage to the environment emanating from, occurring on or in any way related to real properties now or formerly owned, leased or operated by any of them or to other assets or their use, except, in each case, such as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(c) Neither the Company nor any Subsidiary has stored any Hazardous Materials on real properties now or formerly owned, leased or operated by any of them in a manner which is contrary to any Environmental Law that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(d) Neither the Company nor any Subsidiary has disposed of any Hazardous Materials in a manner which is contrary to any Environmental Law that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(e) All buildings on all real properties now owned, leased or operated by the Company or any Subsidiary are in compliance with applicable Environmental Laws, except where failure to comply could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

Section 5.19 Notes Rank Pari Passu. The obligations of the Company under this Agreement and the Notes rank *pari passu* in right of payment with all other unsecured senior Indebtedness (actual or contingent) of the Company, including all unsecured senior Indebtedness of the Company described in Schedule 5.15.

SECTION 6. REPRESENTATIONS OF THE PURCHASERS.

Section 6.1 Purchase for Investment. Each Purchaser severally represents that (a) it is purchasing the Notes for its own account or for one or more separate accounts maintained by such Purchaser or for the account of one or more pension or trust funds and not with a view to

the distribution thereof, *provided* that the disposition of such Purchaser's or their property shall at all times be within such Purchaser's or their control and (b) it is an "accredited investor" as defined in Rule 501(a)(1), (2), (3), (7) or (9) of Regulation D under the Securities Act (an **"Institutional Accredited Investor"**). Each Purchaser understands that the Notes have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from registration is available, except under circumstances where neither such registration nor such an exemption is required by law, and that the Company is not required to register the Notes.

Section 6.2 Source of Funds. Each Purchaser severally represents that at least one of the following statements is an accurate representation as to each source of funds (a **"Source"**) to be used by such Purchaser to pay the purchase price of the Notes to be purchased by such Purchaser hereunder:

(a) the Source is an "insurance company general account" (as the term is defined in the United States Department of Labor's Prohibited Transaction Exemption (**"PTE"**) 95-60) in respect of which the reserves and liabilities (as defined by the annual statement for life insurance companies approved by the NAIC (the **"NAIC Annual Statement"**)) for the general account contract(s) held by or on behalf of any employee benefit plan together with the amount of the reserves and liabilities for the general account contract(s) held by or on behalf of any other employee benefit plans maintained by the same employer (or affiliate thereof as defined in PTE 95-60) or by the same employee organization in the general account do not exceed 10% of the total reserves and liabilities of the general account (exclusive of separate account liabilities) *plus* surplus as set forth in the NAIC Annual Statement filed with such Purchaser's state of domicile; or

(b) the Source is a separate account that is maintained solely in connection with such Purchaser's fixed contractual obligations under which the amounts payable, or credited, to any employee benefit plan (or its related trust) that has any interest in such separate account (or to any participant or beneficiary of such plan (including any annuitant)) are not affected in any manner by the investment performance of the separate account; or

(c) the Source is either (1) an insurance company pooled separate account, within the meaning of PTE 90-1 or (2) a bank collective investment fund, within the meaning of PTE 91-38 and, except as disclosed by such Purchaser to the Company in writing pursuant to this clause (c), no employee benefit plan or group of plans maintained by the same employer or employee organization beneficially owns more than 10% of all assets allocated to such pooled separate account or collective investment fund; or

(d) the Source constitutes assets of an "investment fund" (within the meaning of Section VI of PTE 84-14 (the **"QPAM Exemption"**)) managed by a "qualified professional asset manager" or "QPAM" (within the meaning of Section VI of the QPAM Exemption), it is not ineligible pursuant to Section I(g) of the QPAM Exemption, no employee benefit plan's assets that are managed by the QPAM in such investment fund, when combined with the assets of all other employee benefit plans established or maintained by the same employer or by an affiliate (within the meaning of Section

VI(c)(1) of the QPAM Exemption) of such employer or by the same employee organization and managed by such QPAM, represent more than 20% of the total client assets managed by such QPAM, the conditions of Section I(c) and Section I(k) of the QPAM Exemption are satisfied, neither the QPAM nor a Person controlling or controlled by the QPAM maintains an ownership interest in the Company that would cause the QPAM and the Company to be "related" within the meaning of Section VI(h) of the QPAM Exemption and (1) the identity of such QPAM and (2) the names of any employee benefit plans whose assets in the investment fund, when combined with the assets of all other employee benefit plans established or maintained by the same employer or by an affiliate (within the meaning of Section VI(c)(1) of the QPAM Exemption) of such employer or by the same employee organization, represent 10% or more of the assets of such investment fund, have been disclosed to the Company in writing pursuant to this clause (d); or

(e) the Source constitutes assets of a "plan(s)" (within the meaning of Part IV(h) of PTE 96-23 (the **"INHAM Exemption"**)) managed by an "in-house asset manager" or "INHAM" (within the meaning of Part IV(a) of the INHAM Exemption), the conditions of Part I(a), (g) and (h) of the INHAM Exemption are satisfied, neither the INHAM nor a Person controlling or controlled by the INHAM (applying the definition of "control" in Part IV(d)(3) of the INHAM Exemption) owns a 10% or more interest in the Company and (1) the identity of such INHAM and (2) the name(s) of the employee benefit plan(s) whose assets constitute the Source have been disclosed to the Company in writing pursuant to this clause (e); or

(f) the Source is a governmental plan; or

(g) the Source is one or more employee benefit plans, or a separate account or trust fund comprised of one or more employee benefit plans, each of which has been identified to the Company in writing pursuant to this clause (g); or

(h) the Source does not include assets of any employee benefit plan, other than a plan exempt from the coverage of ERISA.

As used in this Section 6.2, the terms **"employee benefit plan," "governmental plan,"** and **"separate account"** shall have the respective meanings assigned to such terms in section 3 of ERISA.

SECTION 7. INFORMATION AS TO COMPANY.

Section 7.1 Financial and Business Information. The Company shall deliver to each Purchaser and each holder of a Note that is an Institutional Investor:

(a) *Quarterly Statements* — within 60 days (or such shorter period as is the earlier of (x) 15 days greater than the period applicable to the filing of the Company's Quarterly Report on Form 10-Q (the "**Form 10-Q**") with the SEC regardless of whether the Company is subject to the filing requirements thereof and (y) the date by which such financial statements are required to be delivered under any Material Credit Facility or the date on which such corresponding financial statements are delivered under any Material

Credit Facility if such delivery occurs earlier than such required delivery date) after the end of each quarterly fiscal period in each fiscal year of the Company (other than the last quarterly fiscal period of each such fiscal year), duplicate copies of,

(1) a consolidated balance sheet of the Company and its Subsidiaries as at the end of such quarter, and

(2) consolidated statements of income, stockholders' equity and cash flows of the Company and its Subsidiaries, for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter,

setting forth in each case in comparative form the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP applicable to quarterly financial statements generally, and certified by a Senior Financial Officer as fairly presenting, in all material respects, the financial position of the companies being reported on and their results of operations and cash flows, subject to changes resulting from year-end adjustments;

(b) *Annual Statements* — within 120 days (or such shorter period as is the earlier of (x) 15 days greater than the period applicable to the filing of the Company's Annual Report on Form 10-K (the **"Form 10-K"**) with the SEC regardless of whether the Company is subject to the filing requirements thereof and (y) the date by which such financial statements are required to be delivered under any Material Credit Facility or the date on which such corresponding financial statements are delivered under any Material Credit Facility if such delivery occurs earlier than such required delivery date) after the end of each fiscal year of the Company, duplicate copies of,

(1) a consolidated balance sheet of the Company and its Subsidiaries as at the end of such year,

(2) consolidated statements of income, stockholders' equity and cash flows of the Company and its Subsidiaries for such year, and

(3) consolidating balance sheets and statements of income of the Company and its Subsidiaries for such year,

setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion thereon (without a "going concern" or similar qualification or exception and without any qualification or exception as to the scope of the audit on which such opinion is based) of independent public accountants of recognized national standing, which opinion shall state that such financial statements present fairly, in all material respects, the financial position of the companies being reported upon and their results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion in the circumstances;

(c) *Audit Reports* — promptly upon receipt thereof, one copy of each other report submitted to the Company or any Subsidiary by independent accountants in connection with any annual, interim or special audit made by them of the books of the Company or any Subsidiary;

(d) *SEC and Other Reports* — promptly upon their becoming available, one copy of (1) each financial statement, report, notice or proxy statement sent by the Company or any Subsidiary to its principal lending banks as a whole (excluding information sent to such banks in the ordinary course of administration of a bank facility, such as information relating to pricing and borrowing availability) or to its public Securities holders generally, and (2) each regular or periodic report, each registration statement that shall have become effective (without exhibits except as expressly requested by such Purchaser or holder), and each prospectus and all amendments thereto (other than registration statements on Form S-8 and any corresponding prospectus) filed by the Company or any Subsidiary with the SEC;

(e) *Notice of Default or Event of Default* — promptly, and in any event within five days after a Responsible Officer becoming aware of the existence of any Default or Event of Default, a written notice specifying the nature and period of existence thereof and what action the Company is taking or proposes to take with respect thereto;

(f) *Report on Proceedings* — promptly upon the Company's making public information with respect to (1) any proposed or pending investigation of it or any Subsidiary by any Governmental Authority, or (2) any court or administrative proceeding, that in either case would reasonably be expected to have a Material Adverse Effect, a notice specifying its nature and the action the Company is taking with respect thereto;

(g) *ERISA Matters* — promptly, and in any event within 10 days after a Responsible Officer becoming aware of any of the following, a written notice setting forth the nature thereof and the action, if any, that the Company or an ERISA Affiliate proposes to take with respect thereto:

(1) with respect to any Plan, any reportable event, as defined in section 4043(c) of ERISA and the regulations thereunder, for which notice thereof has not been waived pursuant to such regulations as in effect on the date of this Agreement; or

(2) the taking by the PBGC of steps to institute, or the threatening by the PBGC of the institution of, proceedings under section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or the receipt by the Company or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan; or

(3) any event, transaction or condition that could result in the incurrence of any liability by the Company or any ERISA Affiliate pursuant to

Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to Plans, or in the imposition of any Lien on any of the rights, properties or assets of the Company or any ERISA Affiliate pursuant to Title I or IV of ERISA or such penalty or excise tax provisions, if such penalty, excise tax, liability or Lien, taken together with any other such liabilities or Liens then existing, would reasonably be expected to have a Material Adverse Effect;

(h) *Annual Regulatory Reports* — promptly upon their becoming available, copies of each annual report required to be filed by the Company or any Subsidiary with any of the State Commissions or with the FERC;

(i) *Resignation or Replacement of Auditors* — within 10 days following the date on which the Company's independent auditors resign or the Company elects to change independent auditors, as the case may be, notification thereof, together with such supporting information as the Required Holders may request; *provided*, that delivery of a copy of a Current Report on Form 8-K (or applicable successor form), reporting such resignation or change of independent auditors, prepared in accordance with the SEC's requirements therefor and filed with the SEC, shall be deemed to satisfy the requirements of this Section 7.1(i); and

(j) *Requested Information* — with reasonable promptness, such other data and information relating to the business, operations, affairs, financial condition, assets or properties of the Company or any of its Subsidiaries (including actual copies of the Company's Form 10-Q and Form 10-K) or relating to the ability of the Company to perform its obligations hereunder and under the Notes as from time to time may be reasonably requested by any such Purchaser or holder of a Note.

Section 7.2 Officer's Certificate. Each set of financial statements delivered to a Purchaser or a holder of a Note pursuant to Section 7.1(a) or Section 7.1(b) shall be accompanied by a certificate of a Senior Financial Officer:

(a) *Covenant Compliance* — setting forth the information from such financial statements that is required in order to establish whether the Company was in compliance with the requirements of Section 10 during the quarterly or annual period covered by the statements then being furnished, (including with respect to each such provision that involves mathematical calculations, the information from such financial statements that is required to perform such calculations) and detailed calculations of the maximum or minimum amount, ratio or percentage, as the case may be, permissible under the terms of such Section, and the calculation of the amount, ratio or percentage then in existence. In the event that the Company or any Subsidiary has made an election to measure any financial liability using fair value (which election is being disregarded for purposes of determining compliance with this Agreement pursuant to Section 22.2) as to the period covered by any such financial statement, such Senior Financial Officer's certificate as to such period shall include a reconciliation from GAAP with respect to such election; and

(b) *Event of Default* — certifying that such Senior Financial Officer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her

supervision, a review of the transactions and conditions of the Company and its Subsidiaries from the beginning of the quarterly or annual period covered by the statements then being furnished to the date of the certificate and that such review shall not have disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists specifying the nature and period of existence thereof and what action the Company shall have taken or proposes to take with respect thereto.

Section 7.3 Visitation. The Company shall permit the representatives of each Purchaser and each holder of a Note that is an Institutional Investor:

(a) *No Default* — if no Default or Event of Default then exists, at the expense of such Purchaser or holder and upon reasonable prior notice to the Company, to visit the principal executive office of the Company, to discuss the affairs, finances and accounts of the Company and its Subsidiaries with the Company's officers, and (with the consent of the Company, which consent will not be unreasonably withheld) to visit the other offices and properties of the Company and each Subsidiary, all at such reasonable times and as often as may be reasonably requested in writing; and

(b) *Default* — if a Default or Event of Default then exists, at the expense of the Company to visit and inspect any of the offices or properties of the Company or any Subsidiary, to examine all their respective books of account, records, reports and other papers, to make copies and extracts therefrom, and to discuss their respective affairs, finances and accounts with their respective officers and independent public accountants (and by this provision the Company authorizes said accountants to discuss the affairs, finances and accounts of the Company and its Subsidiaries), all at such times and as often as may be requested.

Section 7.4 Electronic Delivery. Financial statements, opinions of independent certified public accountants, other information and Officers' Certificates that are required to be delivered by the Company pursuant to Sections 7.1(a), (b), (d), (h) or (i) and Section 7.2 shall be deemed to have been delivered if the Company satisfies any of the following requirements with respect thereto:

(a) such financial statements satisfying the requirements of Section 7.1(a) or (b) and related Officer's Certificate satisfying the requirements of Section 7.2 are delivered to each Purchaser or holder of a Note by e-mail;

(b) the Company shall have timely filed such Form 10–Q or Form 10–K, satisfying the requirements of Section 7.1(a) or Section 7.1(b), as the case may be, with the SEC on EDGAR and shall have made such form and the related Officer's Certificate satisfying the requirements of Section 7.2 available on its home page on the internet, which is located at http://chpk.com as of the date of this Agreement;

(c) such financial statements satisfying the requirements of Section 7.1(a) or Section 7.1(b) and related Officer's Certificate satisfying the requirements of Section 7.2

are timely posted by or on behalf of the Company on Intralinks or on any other similar website to which each Purchaser or holder of Notes has free access; or

(d) the Company shall have filed any of the items referred to in Section 7.1(d) or Section 7.1(i) with the SEC on EDGAR and shall have made such items available on its home page on the internet or on Intralinks or on any other similar website to which each Purchaser or holder of Notes has free access;

provided however, that in the case of any of clauses (b), (c) or (d), upon the request of any Purchaser or holder of a Note that is an Institutional Investor to receive written notice of posting and/or paper copies of such forms, financial statements and Officer's Certificates, (1) the Company shall give such Purchaser or holder of a Note prior written notice, which may be by e-mail or in accordance with Section 18, of such posting or filing in connection with each delivery, and (2) the Company will promptly e-mail such documents or deliver such paper copies, as the case may be, to such Purchaser or holder. Each Purchaser and holder of Notes that is an Institutional Investor shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

SECTION 8. PAYMENT AND PREPAYMENT OF THE NOTES.

Section 8.1 Maturity. As provided therein, the entire unpaid principal balance of each Note shall be due and payable on the Maturity Date thereof.

Section 8.2 Optional Prepayments with Make-Whole Amount. The Company may, at its option, upon notice as provided below, prepay at any time all, or from time to time any part of, the Notes, in an amount not less than $2,000,000 of the aggregate principal amount of the Notes then outstanding in the case of a partial prepayment, at 100% of the principal amount so prepaid, and the Make-Whole Amount determined for the prepayment date with respect to such principal amount. The Company will give each holder of Notes written notice of each optional prepayment under this Section 8.2 not less than 10 days and not more than 60 days prior to the date fixed for such prepayment unless the Company and the Required Holders agree to another time period pursuant to Section 17. Each such notice shall specify such date (which shall be a Business Day), the aggregate principal amount of the Notes to be prepaid on such date, the principal amount of each Note held by such holder to be prepaid (determined in accordance with Section 8.3), and the interest to be paid on the prepayment date with respect to such principal amount being prepaid, and shall be accompanied by a certificate of a Senior Financial Officer as to the estimated Make-Whole Amount due in connection with such prepayment (calculated as if the date of such notice were the date of the prepayment), setting forth the details of such computation. Two Business Days prior to such prepayment, the Company shall deliver to each holder of Notes a certificate of a Senior Financial Officer specifying the calculation of such Make-Whole Amount as of the specified prepayment date.

Section 8.3 Allocation of Partial Prepayments. In the case of each partial prepayment of the Notes pursuant to Section 8.1 or Section 8.2, the principal amount of the Notes to be prepaid shall be allocated among all of the Notes at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for prepayment.

Section 8.4 Maturity; Surrender, Etc. In the case of each optional prepayment of Notes pursuant to this Section 8, the principal amount of each Note to be prepaid shall mature and become due and payable on the date fixed for such prepayment, together with interest on such principal amount accrued to such date and the applicable Make-Whole Amount, if any. From and after such date, unless the Company shall fail to pay such principal amount when so due and payable, together with the interest and Make-Whole Amount, if any, as aforesaid, interest on such principal amount shall cease to accrue. Any Note paid or prepaid in full shall be surrendered to the Company and cancelled and shall not be reissued, and no Note shall be issued in lieu of any prepaid principal amount of any Note.

Section 8.5 Purchase of Notes. The Company will not, and will not permit any Affiliate to, purchase, redeem, prepay or otherwise acquire, directly or indirectly, any of the outstanding Notes except (a) upon the payment or prepayment of the Notes in accordance with this Agreement and the Notes or (b) pursuant to an offer to purchase made by the Company or an Affiliate pro rata to the holders of all Notes at the time outstanding upon the same terms and conditions. Any such offer shall provide each holder with sufficient information to enable it to make an informed decision with respect to such offer, and shall remain open for at least 20 Business Days. If the holders of more than 25% of the principal amount of the Notes then outstanding accept such offer, the Company shall promptly notify the remaining holders of such fact and the expiration date for the acceptance by holders of Notes of such offer shall be extended by the number of days necessary to give each such remaining holder at least five Business Days from its receipt of such notice to accept such offer. The Company will promptly cancel all Notes acquired by it or any Affiliate pursuant to any payment, prepayment or purchase of Notes pursuant to this Agreement and no Notes may be issued in substitution or exchange for any such Notes.

Section 8.6 Make-Whole Amount.

"Make-Whole Amount" means, with respect to any Note, an amount equal to the excess, if any, of the Discounted Value of the Remaining Scheduled Payments with respect to the Called Principal of such Note over the amount of such Called Principal, *provided* that the Make-Whole Amount may in no event be less than zero. For the purposes of determining the Make-Whole Amount, the following terms have the following meanings:

"Called Principal" means, with respect to any Note, the principal of such Note that is to be prepaid pursuant to Section 8.2 or Section 8.8 or has become or is declared to be immediately due and payable pursuant to Section 12.1, as the context requires.

"Discounted Value" means, with respect to the Called Principal of any Note, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Called Principal from their respective scheduled due dates to the Settlement Date with respect to such Called Principal, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on the Notes is payable) equal to the Reinvestment Yield with respect to such Called Principal.

"Reinvestment Yield" means, with respect to the Called Principal of any Note, the sum of (a) 0.50% plus (b) the yield to maturity implied by the "Ask-Side" yield(s) reported as of

10:00 a.m. (New York City time) on the second Business Day preceding the Settlement Date with respect to such Called Principal, on the display designated as "Page PX1" (or such other display as may replace Page PX1) on Bloomberg Financial Markets for the most recently issued actively traded on-the-run U.S. Treasury securities (**"Reported"**) having a maturity equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there are no such U.S. Treasury securities Reported having a maturity equal to such Remaining Average Life, then such implied yield to maturity will be determined by (a) converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (b) interpolating linearly between the "Ask-Side" yields Reported for the applicable most recently issued actively traded on-the-run U.S. Treasury securities with the maturities (1) closest to and greater than such Remaining Average Life and (2) closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Note.

If such yields are not Reported or the yields Reported as of such time are not ascertainable (including by way of interpolation), then "Reinvestment Yield" means, with respect to the Called Principal of any Note, the sum of (x) 0.50% plus (y) the yield to maturity implied by the U.S. Treasury constant maturity yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Settlement Date with respect to such Called Principal, in Federal Reserve Statistical Release H.15 (or any comparable successor publication) for the U.S. Treasury constant maturity having a term equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there is no such U.S. Treasury constant maturity having a term equal to such Remaining Average Life, such implied yield to maturity will be determined by interpolating linearly between (i) the U.S. Treasury constant maturity so reported with the term closest to and greater than such Remaining Average Life and (ii) the U.S. Treasury constant maturity so reported with the term closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Note.

"Remaining Average Life" means, with respect to any Called Principal, the number of years obtained by dividing (a) such Called Principal into (b) the sum of the products obtained by multiplying (1) the principal component of each Remaining Scheduled Payment with respect to such Called Principal by (2) the number of years, computed on the basis of a 360-day year composed of twelve 30-day months and calculated to two decimal places, that will elapse between the Settlement Date with respect to such Called Principal and the scheduled due date of such Remaining Scheduled Payment.

"Remaining Scheduled Payments" means, with respect to the Called Principal of any Note, all payments of such Called Principal and interest thereon that would be due after the Settlement Date with respect to such Called Principal if no payment of such Called Principal were made prior to its scheduled due date, *provided* that if such Settlement Date is not a date on which interest payments are due to be made under the Notes, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such Settlement Date and required to be paid on such Settlement Date pursuant to Section 8.4 or Section 12.1.

"Settlement Date" means, with respect to the Called Principal of any Note, the date on which such Called Principal is to be prepaid pursuant to Section 8.2 or Section 8.8 or has become or is declared to be immediately due and payable pursuant to Section 12.1, as the context requires.

Section 8.7 Payments Due on Non-Business Days. Anything in this Agreement or the Notes to the contrary notwithstanding, (a) subject to clause (b), any payment of interest on any Note that is due on a date that is not a Business Day shall be made on the next succeeding Business Day without including the additional days elapsed in the computation of the interest payable on such next succeeding Business Day; and (b) any payment of principal of or Make-Whole Amount on any Note (including principal due on the Maturity Date of such Note) that is due on a date that is not a Business Day shall be made on the next succeeding Business Day and shall include the additional days elapsed in the computation of interest payable on such next succeeding Business Day.

Section 8.8 Offer to Prepay Upon Diversification Event. If, at any time, the aggregate net book value of all assets that are used in the regulated utilities business segments of the Company and its Subsidiaries is less than 50% of Consolidated Total Assets (a **"Diversification Event"**), each holder of any of the Notes then outstanding may elect, at its option, by written notice to the Company, to declare the outstanding Notes held by such holder to be due and payable on the next Business Day after the 30th day following such notice (the **"Diversification Event Prepayment Date"**). Upon such election by any holder of the Notes, the Company will pay the aggregate principal amount of such holder's Notes on the Diversification Event Prepayment Date, together with interest accrued to the Diversification Event Prepayment Date on such principal amount, and an amount equal to the Make-Whole Amount, if any, applicable to such payment. Upon the occurrence of a Diversification Event, the Company shall deliver to each holder of the outstanding Notes a notice that such event has occurred and the reason or reasons for such occurrence. Two Business Days prior to a Diversification Event Prepayment Date, the Company shall deliver to each holder of Notes to be paid on such date a certificate of a Senior Financial Officer specifying the calculation of such Make-Whole Amount as of the Diversification Event Prepayment Date.

SECTION 9. AFFIRMATIVE COVENANTS.

The Company covenants that so long as any of the Notes are outstanding:

Section 9.1 Compliance with Laws. Without limiting Section 10.7, the Company will, and will cause each of its Subsidiaries to, comply with all laws, ordinances or governmental rules or regulations to which each of them is subject, including ERISA, Environmental Laws, the USA PATRIOT Act and the other laws and regulations that are referred to in Section 5.16, and will obtain and maintain in effect all licenses, certificates, permits, franchises and other governmental authorizations necessary to the ownership of their respective properties or to the conduct of their respective businesses, in each case to the extent necessary to ensure that non-compliance with such laws, ordinances or governmental rules or regulations or failures to obtain or maintain in effect such licenses, certificates, permits, franchises and other governmental authorizations would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.2 Insurance. The Company will, and will cause each of its Subsidiaries to, maintain, with financially sound and reputable insurers, insurance with respect to their respective properties and businesses against such casualties and contingencies, of such types, on such terms and in such amounts (including deductibles, co-insurance and self-insurance, if adequate reserves are maintained with respect thereto) as is customary in the case of entities of established reputations engaged in the same or a similar business and similarly situated.

Section 9.3 Maintenance of Properties. The Company will, and will cause each of its Subsidiaries to, maintain and keep, or cause to be maintained and kept, their respective properties in good repair, working order and condition (other than ordinary wear and tear), so that the business carried on in connection therewith may be properly conducted at all times, *provided* that this Section shall not prevent the Company or any Subsidiary from discontinuing the operation and the maintenance of any of its properties if such discontinuance is desirable in the conduct of its business and the Company has concluded that such discontinuance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.4 Payment of Taxes. The Company will, and will cause each of its Subsidiaries to, file all income or similar tax returns required to be filed in any jurisdiction and to pay and discharge all taxes shown to be due and payable on such returns and all other taxes, assessments, governmental charges, or levies payable by any of them, to the extent the same have become due and payable and before they have become delinquent, *provided* that neither the Company nor any Subsidiary need pay any such tax, assessment, charge or levy if (a) the amount, applicability or validity thereof is contested by the Company or such Subsidiary on a timely basis in good faith and in appropriate proceedings, and the Company or a Subsidiary has established adequate reserves therefor in accordance with GAAP on the books of the Company or such Subsidiary or (b) the nonpayment of all such taxes, assessments, charges or levies would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.5 Corporate Existence, Etc. Subject to Section 10.2, the Company will at all times preserve and keep its corporate existence in full force and effect. Subject to Sections 10.2 and 10.5, the Company will at all times preserve and keep in full force and effect the corporate existence of each of its Subsidiaries (unless merged into the Company or a Wholly-Owned Subsidiary) and all rights and franchises of the Company and its Subsidiaries unless, in the good faith judgment of the Company, the termination of or failure to preserve and keep in full force and effect such corporate existence, right or franchise would not, individually or in the aggregate, have a Material Adverse Effect.

Section 9.6 Books and Records. The Company will, and will cause each of its Subsidiaries to, maintain proper books of record and account in conformity with GAAP and all applicable requirements of any Governmental Authority having legal or regulatory jurisdiction over the Company or such Subsidiary, as the case may be. The Company will, and will cause each of its Subsidiaries to, keep books, records and accounts which, in reasonable detail, accurately reflect all transactions and dispositions of assets. The Company and its Subsidiaries have devised a system of internal accounting controls sufficient to provide reasonable assurances that their respective books, records, and accounts accurately reflect all transactions and dispositions of assets and the Company will, and will cause each of its Subsidiaries to, continue to maintain such system.

Section 9.7 Subsidiary Guarantors. The Company will cause each of its Subsidiaries that guarantees or otherwise becomes liable at any time, whether as a borrower or an additional or co-borrower or otherwise, for or in respect of any Indebtedness under any Material Credit Facility to concurrently therewith:

(a) enter into an agreement in form and substance satisfactory to the Required Holders providing for the guaranty by such Subsidiary, on a joint and several basis with all other such Subsidiaries, of (1) the prompt payment in full when due of all amounts payable by the Company pursuant to the Notes (whether for principal, interest, Make-Whole Amount or otherwise) and this Agreement, including all indemnities, fees and expenses payable by the Company thereunder and (2) the prompt, full and faithful performance, observance and discharge by the Company of each and every covenant, agreement, undertaking and provision required pursuant to the Notes or this Agreement to be performed, observed or discharged by it (a **"Subsidiary Guaranty"**); and

(b) deliver the following to each holder of a Note:

(1) an executed counterpart of such Subsidiary Guaranty;

(2) a certificate signed by an authorized responsible officer of such Subsidiary containing representations and warranties on behalf of such Subsidiary to the same effect, *mutatis mutandis*, as those contained in Sections 5.1, 5.2, 5.6 and 5.7 of this Agreement (but with respect to such Subsidiary and such Subsidiary Guaranty rather than the Company);

(3) all documents as may be reasonably requested by the Required Holders to evidence the due organization, continuing existence and good standing of such Subsidiary and the due authorization by all requisite action on the part of such Subsidiary of the execution and delivery of such Subsidiary Guaranty and the performance by such Subsidiary of its obligations thereunder; and

(4) an opinion of counsel reasonably satisfactory to the Required Holders covering such matters relating to such Subsidiary and such Subsidiary Guaranty as the Required Holders may reasonably request.

(c) If at any time, pursuant to the terms and conditions of any Material Credit Facility, a Subsidiary Guarantor is discharged and released from its guaranty of Indebtedness under such Material Credit Facility and (1) such Subsidiary Guarantor is no longer a borrower or an additional or co-borrower under such Material Credit Facility or a guarantor, borrower or additional or co-borrower under any other Material Credit Facility and (2) the Company shall have delivered to each holder of a Note an Officer's Certificate certifying that (i) the conditions specified in clause (1) above have been satisfied and (ii) immediately before the release of such Subsidiary Guarantor from its Subsidiary Guaranty and after giving effect thereto, no Default or Event of Default shall have existed or would exist, then, upon receipt by the holders of Notes of such Officer's Certificate, such Subsidiary Guarantor will be discharged and released, automatically and without the need for any further action, from its obligations under its Subsidiary

Guaranty; *provided* that, if in connection with any release of a Subsidiary Guarantor from its guaranty of Indebtedness under such Material Credit Facility any fee or other consideration (excluding any repayment of the principal or interest or payment of any pre-existing prepayment of similar repayment fee under such Material Credit Facility in connection with such release) is paid or given to any holder of Indebtedness under such Material Credit Facility in connection with such release, each holder of a Note shall receive equivalent consideration on a pro rata basis (determined, in respect of revolving credit facilities, based upon the commitment in effect thereunder rather than amounts outstanding thereunder) in connection with such Subsidiary Guarantor's release from its Subsidiary Guaranty. Without limiting the foregoing, for purposes of further assurance, each holder of a Note agrees to provide to the Company and such Subsidiary Guarantor, if reasonably requested by the Company or such Subsidiary Guarantor and at the Company's expense, written evidence of such discharge and release signed by such holder.

SECTION 10. NEGATIVE COVENANTS.

The Company covenants that so long as any of the Notes are outstanding:

Section 10.1 Transactions with Affiliates. The Company will not, and will not permit any Subsidiary to, enter into directly or indirectly any Material transaction or Material group of related transactions (including the purchase, lease, sale or exchange of properties of any kind or the rendering of any service) with any Affiliate (other than the Company or another Subsidiary), except pursuant to the reasonable requirements of the Company's or such Subsidiary's business and upon fair and reasonable terms no less favorable to the Company or such Subsidiary than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate; *provided* that the foregoing restriction shall not apply to the payment or grant of reasonable compensation, benefits and indemnities to any director or officer of the Company or any Subsidiary. Notwithstanding the foregoing, nothing in this Section 10.1 shall restrict transactions with any Affiliate that have been approved by or are entered into pursuant to any orders or decisions of any Governmental Authority having jurisdiction over the Company or any of its Subsidiaries.

Section 10.2 Merger, Consolidation. The Company will not, and will not permit any Subsidiary to, be a party to any merger or consolidation or sell, lease or otherwise transfer all or substantially all of its assets in a single transaction or series of transactions, *provided* that the Company may merge or consolidate with, or sell all or substantially all of its assets to, another Person if all of the following conditions are met:

(a) the surviving or acquiring entity is a solvent corporation or limited liability company organized and existing under the laws of the United States or any State thereof (including the District of Columbia);

(b) the surviving or acquiring corporation or limited liability company, if not the Company, shall have executed and delivered to each holder of a Note its assumption of the due and punctual performance and observance of each covenant and condition of this Agreement and the Notes; and

(c) immediately before and immediately after giving effect to such transaction, the surviving or acquiring corporation or limited liability company would be in compliance with Section 10.3 (*provided* that, in the case of Section 10.3(a), all Indebtedness is determined as of such time and not as of the last day of the immediately preceding fiscal quarter) and no Default or Event of Default shall have occurred and be continuing;

provided, *further*, that any Subsidiary may merge or consolidate with or into the Company, any other Subsidiary or any other Person so long as (1) immediately before and immediately after giving effect to such transaction, the Company would be in compliance with Section 10.3 (*provided* that, in the case of Section 10.3(a), all Indebtedness is determined as of such time and not as of the last day of the immediately preceding fiscal quarter), (2) at the time of such transaction and immediately after giving effect thereto, no Default or Event of Default shall have occurred and be continuing, (3) in any merger or consolidation involving the Company, the Company shall be the surviving or continuing corporation and (4) in any merger or consolidation involving any Subsidiary and any other Person (other than the Company or another Subsidiary), (i) such Subsidiary shall be the surviving or continuing entity or (ii) such other Person shall become a Subsidiary as of the effective time of the merger or consolidation.

No such sale, lease or other transfer of all or substantially all of the assets of the Company shall have the effect of releasing the Company or any successor corporation or limited liability company that shall have become such in the manner prescribed in this Section 10.2 from its liability under this Agreement or the Notes.

Section 10.3 Limitations on Indebtedness.

(a) The Company will not, as of the last day of each fiscal quarter of the Company, permit the aggregate principal amount of all outstanding secured and unsecured Funded Indebtedness of the Company and secured and unsecured Current and Funded Indebtedness of Subsidiaries (excluding Indebtedness owed by a Subsidiary to the Company or a Wholly-Owned Subsidiary) to exceed 65% of Total Capitalization.

(b) The Company will not, at any time, permit the aggregate principal amount of (1) outstanding Purchase Money Indebtedness of the Company and its Subsidiaries, *plus* (2) outstanding Indebtedness secured by Liens permitted pursuant to Sections 10.4(i) and (j) and (3) outstanding unsecured Current or Funded Indebtedness of Subsidiaries (excluding Current or Funded Indebtedness owed by a Subsidiary to the Company or a Wholly-Owned Subsidiary) to exceed 20% of Total Capitalization.

For the avoidance of doubt, this Section 10.3 does not prohibit the Company from creating, incurring, becoming liable for or guaranteeing any Current Indebtedness.

Section 10.4 Liens and Encumbrances. The Company will not, and will not permit any Subsidiary to, cause or permit or agree or consent to cause or permit in the future (upon the happening of a contingency or otherwise), any of its property, whether now owned or subsequently acquired, to be subject to a Lien except:

(a) Liens securing the payment of taxes, assessments or governmental charges or levies or the demands of suppliers, mechanics, materialmen, repairmen, carriers, warehousers, landlords and other like Persons, *provided* that payment thereof is not at the time required by Section 9.4;

(b) Liens incurred or deposits made in the ordinary course of business (1) in connection with worker's compensation, unemployment insurance, social security and other like laws, (2) to secure the performance of letters of credit, bids, tenders, sales contracts, leases, statutory obligations, surety, appeal and performance bonds and other similar obligations or (3) to secure Permitted Commodity Hedging Obligations, in each case not incurred in connection with the borrowing of money, the obtaining of advances or the payment of the deferred purchase price of property;

(c) attachment, judgment and other similar Liens arising in connection with court proceedings, *provided* that (1) execution and other enforcement are effectively stayed, (2) all claims which the Liens secure are being actively contested in good faith and by appropriate proceedings, (3) adequate book reserves have been established with respect thereto, and (4) the owning company's right to use its property is not materially adversely affected thereby;

(d) Liens on property of a Subsidiary, *provided* that they secure only obligations owing to the Company or a Wholly-Owned Subsidiary;

(e) the Liens existing on the date of this Agreement which are set forth in Schedule 10.4(e) and any renewal, extension or refunding of any such Lien, *provided* that in the case of any such renewal, extension or refunding (1) the principal amount of Indebtedness secured by such Lien immediately prior to such extension, renewal or refunding is not increased or the maturity thereof reduced, (2) such Lien is not extended to any other property and (3) immediately before and after such renewal, extension or refunding, no Default or Event of Default shall have occurred and be continuing;

(f) non-exclusive licenses, leases or subleases granted to other Persons in the ordinary course of business and not interfering in any material respect with the business of the Company and its Subsidiaries;

(g) customary bankers' Liens and rights of setoff arising, in each case, by operation of law and incurred on deposits made in the ordinary course of business;

(h) Liens securing Purchase Money Indebtedness of the Company or a Subsidiary, *provided* that (1) the Purchase Money Indebtedness secured by such Liens is then permitted by Section 10.3 (*provided* that, in the case of Section 10.3(a), all Indebtedness is determined as of the date of the incurrence of such Lien and not as of the last day of the immediately preceding fiscal quarter) and (2) no such Lien shall extend to or cover any property not originally subject thereto, other than improvements to the property originally subject thereto;

(i) (1) any Lien existing on property of a Person immediately prior to its being consolidated with or merged into the Company or a Subsidiary or its becoming a

Subsidiary, or any Lien existing on any property acquired by the Company or a Subsidiary at the time such property is so acquired (whether or not the Indebtedness secured thereby shall have assumed), *provided* that (i) any Indebtedness secured by such Liens is then permitted by Section 10.3 (*provided* that, in the case of Section 10.3(a), all Indebtedness is determined as of the date of such consolidation or merger, such Person becoming a Subsidiary or such acquisition, as applicable, and not as of the last day of the immediately preceding fiscal quarter), (ii) no such Lien shall have been created in contemplation of such consolidation or merger or such Person's becoming a Subsidiary or such acquisition of property and (iii) no such Lien shall extend to or cover any property not originally subject thereto, other than improvements to the property originally subject thereto and (2) any renewal, extension or refunding of any Lien in Section 10.4(i)(1), *provided* that in the case of any such renewal, extension or refunding (i) the principal amount of Indebtedness secured by such Lien immediately prior to such extension, renewal or refunding is not increased or the maturity thereof reduced, (ii) such Lien is not extended to any other property and (iii) immediately before and after such renewal, extension or refunding, no Default or Event of Default shall have occurred and be continuing; and

(j) other Liens not otherwise permitted by paragraphs (a) through (i), inclusive, of this Section 10.4 securing Indebtedness of the Company or its Subsidiaries, *provided*, that the Indebtedness secured by such Liens is then permitted by Section 10.3 (*provided* that, in the case of Section 10.3(a), all Indebtedness is determined as of the date of the incurrence of such Lien and not as of the last day of the immediately preceding fiscal quarter) and *provided further* that, notwithstanding the foregoing, the Company will not, and will not permit any of its Subsidiaries to, secure any Indebtedness outstanding under or pursuant to any Material Credit Facility pursuant to this Section 10.4(j) unless and until the Notes (and any guaranty delivered in connection therewith) shall concurrently be secured equally and ratably with such Indebtedness pursuant to documentation reasonably acceptable to the Required Holders in substance and in form, including an intercreditor agreement and opinions of counsel to the Company and/or any such Subsidiary, as the case may be, from counsel that is reasonably acceptable to the Required Holders.

Section 10.5 Sale of Property and Subsidiary Stock.

(a) The Company will not, and will not permit any Subsidiary to, except in the ordinary course of business, sell, lease, transfer or otherwise dispose of any of its assets (not including Excluded Assets); *provided* that the foregoing restriction does not apply to the sale of assets for a cash consideration to a Person other than an Affiliate, if all of the following conditions are met:

(1) the amount of such assets (valued at net book value), together with all other assets of the Company and Subsidiaries previously disposed of (other than in the ordinary course of business) as permitted by this Section 10.5(a) and the assets of any Subsidiary disposed of as permitted by clauses (3) and (4) of Section 10.5(b) during the fiscal year in which the disposition occurs does not exceed 10% of Consolidated Total Assets as of the end of the fiscal year then

most recently ended; *provided* that assets, as so valued, may be sold in excess of 10% of Consolidated Total Assets in any fiscal year if either (i) within one year of such sale, the proceeds from the sale of such assets are used, or committed by the Company's Board of Directors to be used, to acquire other assets of at least equivalent value and earning power, or (ii) with the written consent of the holders of the Notes, the proceeds from sale of such assets are used immediately upon receipt to prepay pro rata the Notes of all series under Section 8.2 and other senior Funded Indebtedness of the Company;

(2) in the opinion of the Company's Board of Directors, the sale is for fair value and is in the best interest of the Company; and

(3) immediately before and immediately after the consummation of the sale, and after giving effect thereto, no Default or Event of Default would exist.

For the purpose of this paragraph (a), any transfer or consolidation of any assets to or among the Company and/or any Wholly-Owned Subsidiaries shall be deemed to be in the ordinary course of business.

(b) The Company will not, and will not permit any Subsidiary to, dispose of its investment in any Subsidiary, and the Company will not, and will not permit any Subsidiary to, issue or transfer any shares of a Subsidiary's capital stock, equity interests or any other Securities exchangeable or convertible into such Subsidiary's capital stock, equity interests or other Securities (such capital stock, equity interests and other Securities being called the **"Subsidiary Stock"**), if the effect would be to reduce the direct or indirect proportionate interest of the Company in the outstanding Subsidiary Stock of the Subsidiary whose shares are the subject of the transaction, *provided* that these restrictions do not apply to (1) the issue of directors' qualifying shares, (2) the sale or other transfer to a Person other than an Affiliate of the Company and its other Subsidiaries of all or any portion of an investment in any Excluded Assets, (3) the sale or other transfer to a Person other than an Affiliate of the Company and its other Subsidiaries of all or any portion of an investment in any Renewable Subsidiary or (4) the sale for cash consideration of the entire investment of the Company and its other Subsidiaries in any other Subsidiary, *provided* that in the case of clauses (3) and (4) of this Section 10.5(b), the Company would be permitted to dispose of all or such proportionate amount of the assets of such Subsidiary at the time in compliance with the conditions specified in clauses (1), (2) and (3) of Section 10.5(a).

For the purpose of this paragraph (b), references to "any portion" of an investment shall include any sale or transfer that results in (1) the Subsidiary ceasing to qualify as a Subsidiary in accordance with this Agreement or (2) the Subsidiary ceasing to be controlled by the Company or any other Subsidiary of the Company.

Section 10.6 Line of Business. The Company will not, and will not permit any Subsidiary to, engage in any business if, as a result, the general nature of the business in which the Company and its Subsidiaries, taken as a whole, would then be engaged would be substantially changed from the general nature of the business in which the Company and its

Subsidiaries, taken as a whole, are engaged on the date of this Agreement as described in the Investor Presentation.

Section 10.7 Economic Sanctions, Etc. The Company will not, and will not permit any Controlled Entity to, (a) become (including by virtue of being owned or controlled by a Blocked Person) a Blocked Person or to own or control a Blocked Person or (b) directly or indirectly have any investment in or engage in any dealing or transaction (including any investment, dealing or transaction involving the proceeds of the Notes) with any Person if such investment, dealing or transaction (1) would cause any holder or any affiliate of such holder to be in violation of, or subject to sanctions under, any law or regulation applicable to such holder, or (2) is prohibited by or subject to sanctions under any U.S. Economic Sanctions Laws.

SECTION 11. EVENTS OF DEFAULT.

An **"Event of Default"** shall exist if any of the following conditions or events shall occur and be continuing:

(a) the Company defaults in the payment of any principal or Make-Whole Amount, if any, on any Note when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise; or

(b) the Company defaults in the payment of any interest on any Note for more than five Business Days after the same becomes due and payable; or

(c) the Company defaults in the performance of or compliance with any term contained in Section 7.1(e) or Section 10 (other than Section 10.1); or

(d) the Company or any Subsidiary Guarantor defaults in the performance of or compliance with any term contained herein (other than those referred to in Sections 11(a), (b) and (c)) or in any Subsidiary Guaranty and such default is not remedied within 30 days after the earlier of (1) a Responsible Officer obtaining actual knowledge of such default and (2) the Company receiving written notice of such default from any holder of a Note (any such written notice to be identified as a "notice of default" and to refer specifically to this Section 11(d)); or

(e) (1) any representation or warranty made in writing by or on behalf of the Company or by any officer of the Company in this Agreement or any writing furnished in connection with the transactions contemplated hereby proves to have been false or incorrect in any material respect on the date as of which it was made, or (2) any representation or warranty made in writing by or on behalf of any Subsidiary Guarantor or by any officer of such Subsidiary Guarantor in any Subsidiary Guaranty or any writing furnished in connection with such Subsidiary Guaranty proves to have been false or incorrect in any material respect on the date as of which it was made; or

(f) (1) the Company or any Significant Subsidiary is in default (as principal or as guarantor or other surety) in the payment of any principal of or premium or make-whole amount or interest on any Indebtedness that is outstanding in an aggregate principal amount of at least $15,000,000 beyond any period of grace provided with

respect thereto, or (2) the Company or any Significant Subsidiary is in default in the performance of or compliance with any term of any evidence of any Indebtedness in an aggregate outstanding principal amount of at least $15,000,000 or of any mortgage, indenture or other agreement relating thereto or any other condition exists, and as a consequence of such default or condition such Indebtedness has become, or has been declared (or one or more Persons are entitled to declare such Indebtedness to be), due and payable before its stated maturity or before its regularly scheduled dates of payment, or (3) as a consequence of the occurrence or continuation of any event or condition (other than the passage of time or the right of the holder of Indebtedness to convert such Indebtedness into equity interests), (i) the Company or any Significant Subsidiary has become obligated to purchase or repay Indebtedness before its regular maturity or before its regularly scheduled dates of payment in an aggregate outstanding principal amount of at least $15,000,000, or (ii) one or more Persons have the right to require the Company or any Significant Subsidiary so to purchase or repay such Indebtedness; or

(g) the Company or any Significant Subsidiary (1) is generally not paying, or admits in writing its inability to pay, its debts as they become due, (2) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction, (3) makes an assignment for the benefit of its creditors, (4) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, (5) is adjudicated as insolvent or to be liquidated, or (6) takes corporate action for the purpose of any of the foregoing; or

(h) a court or other Governmental Authority of competent jurisdiction enters an order appointing, without consent by the Company or any of its Significant Subsidiaries, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of the Company or any of its Significant Subsidiaries, or any such petition shall be filed against the Company or any of its Significant Subsidiaries and such petition shall not be dismissed within 60 days; or

(i) one or more final judgments or orders for the payment of money aggregating in excess of $15,000,000, including any such final order enforcing a binding arbitration decision, are rendered against one or more of the Company and its Significant Subsidiaries and which judgments are not, within 60 days after entry thereof, bonded, discharged or stayed pending appeal, or are not discharged within 60 days after the expiration of such stay;

(j) if (1) any Plan shall fail to satisfy the minimum funding standards of ERISA or the Code for any plan year or part thereof or a waiver of such standards or extension of any amortization period is sought or granted under section 412 of the Code,

(2) a notice of intent to terminate any Plan shall have been filed with the PBGC or the PBGC shall have instituted proceedings under ERISA section 4042 to terminate or appoint a trustee to administer any Plan or the PBGC shall have notified the Company or any ERISA Affiliate that a Plan will become a subject of any such proceedings, (3) the aggregate "amount of unfunded benefit liabilities" (within the meaning of section 4001(a)(18) of ERISA) under all Plans, determined in accordance with Title IV of ERISA, shall exceed an amount that could reasonably be expected to have a Material Adverse Effect, (4) the Company or any ERISA Affiliate shall have incurred or is reasonably expected to incur any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, (5) the Company or any ERISA Affiliate withdraws from any Multiemployer Plan, or (6) the Company or any Subsidiary establishes or amends any Plan that provides post-employment welfare benefits in a manner that would increase the liability of the Company or any Subsidiary thereunder; and any such event or events described in clauses (1) through (6) above, either individually or together with any other such event or events, would reasonably be expected to have a Material Adverse Effect; or

(k) any Subsidiary Guaranty shall cease to be in full force and effect other than a Subsidiary Guaranty that has been released in accordance with Section 9.7(c), any Subsidiary Guarantor or any Person acting on behalf of any Subsidiary Guarantor shall contest in any manner the validity, binding nature or enforceability of any Subsidiary Guaranty, or the obligations of any Subsidiary Guarantor under any Subsidiary Guaranty are not or cease to be legal, valid, binding and enforceable in accordance with the terms of such Subsidiary Guaranty.

SECTION 12. REMEDIES ON DEFAULT, ETC.

Section 12.1 Acceleration.

(a) If an Event of Default with respect to the Company described in Section 11(g) or (h) (other than an Event of Default described in clause (1) of Section 11(g) or described in clause (6) of Section 11(g) by virtue of the fact that such clause encompasses clause (1) of Section 11(g)) has occurred, all the Notes then outstanding shall automatically become immediately due and payable.

(b) If any other Event of Default has occurred and is continuing, the Required Holders may at any time at its or their option, by notice or notices to the Company, declare all the Notes then outstanding to be immediately due and payable.

(c) If any Event of Default described in Section 11(a) or (b) has occurred and is continuing, any holder or holders of Notes at the time outstanding affected by such Event of Default may at any time, at its or their option, by notice or notices to the Company, declare all the Notes held by it or them to be immediately due and payable.

Upon any Notes becoming due and payable under this Section 12.1, whether automatically or by declaration, such Notes will forthwith mature and the entire unpaid principal amount of such Notes, plus (x) all accrued and unpaid interest thereon (including interest accrued

thereon at the applicable Default Rate) and (y) the Make-Whole Amount determined in respect of such principal amount (to the full extent permitted by applicable law), shall all be immediately due and payable, in each and every case without presentment, demand, protest or further notice, all of which are hereby waived. The Company acknowledges, and the parties hereto agree, that each holder of a Note has the right to maintain its investment in the Notes free from repayment by the Company (except as herein specifically provided for) and that the provision for payment of a Make-Whole Amount by the Company in the event that the Notes are prepaid or are accelerated as a result of an Event of Default, is intended to provide compensation for the deprivation of such right under such circumstances.

Section 12.2 Other Remedies. If any Default or Event of Default has occurred and is continuing, and irrespective of whether any Notes have become or have been declared immediately due and payable under Section 12.1, the holder of any Note at the time outstanding may proceed to protect and enforce the rights of such holder by an action at law, suit in equity or other appropriate proceeding, whether for the specific performance of any agreement contained herein or in any Note or Subsidiary Guaranty, or for an injunction against a violation of any of the terms hereof or thereof, or in aid of the exercise of any power granted hereby or thereby or by law or otherwise.

Section 12.3 Rescission. At any time after any Notes have been declared due and payable pursuant to Section 12.1(b) or (c), the Required Holders, by written notice to the Company, may rescind and annul any such declaration and its consequences if (a) the Company has paid all overdue interest on the Notes, all principal of and Make-Whole Amount, if any, on any Notes that are due and payable and are unpaid other than by reason of such declaration, and all interest on such overdue principal and Make-Whole Amount, if any, and (to the extent permitted by applicable law) any overdue interest in respect of the Notes, at the applicable Default Rate, (b) neither the Company nor any other Person shall have paid any amounts which have become due solely by reason of such declaration, (c) all Events of Default and Defaults, other than non-payment of amounts that have become due solely by reason of such declaration, have been cured or have been waived pursuant to Section 17, and (d) no judgment or decree has been entered for the payment of any monies due pursuant hereto or to the Notes. No rescission and annulment under this Section 12.3 will extend to or affect any subsequent Event of Default or Default or impair any right consequent thereon.

Section 12.4 No Waivers or Election of Remedies, Expenses, Etc. No course of dealing and no delay on the part of any holder of any Note in exercising any right, power or remedy shall operate as a waiver thereof or otherwise prejudice such holder's rights, powers or remedies. No right, power or remedy conferred by this Agreement, any Subsidiary Guaranty or any Note upon any holder thereof shall be exclusive of any other right, power or remedy referred to herein or therein or now or hereafter available at law, in equity, by statute or otherwise. Without limiting the obligations of the Company under Section 15, the Company will pay to the holder of each Note on demand such further amount as shall be sufficient to cover all costs and expenses of such holder incurred in any enforcement or collection under this Section 12, including reasonable attorneys' fees, expenses and disbursements.

SECTION 13. REGISTRATION; EXCHANGE; SUBSTITUTION OF NOTES.

Section 13.1 Registration of Notes. The Company shall keep at its principal executive office a register for the registration and registration of transfers of Notes. The name and address of each holder of one or more Notes, each transfer thereof and the name and address of each transferee of one or more Notes shall be registered in such register. If any holder of one or more Notes is a nominee, then (a) the name and address of the beneficial owner of such Note or Notes shall also be registered in such register as an owner and holder thereof and (b) at any such beneficial owner's option, either such beneficial owner or its nominee may execute any amendment, waiver or consent pursuant to this Agreement. Prior to due presentment for registration of transfer, the Person(s) in whose name any Note(s) shall be registered shall be deemed and treated as the owner and holder thereof for all purposes hereof, and the Company shall not be affected by any notice or knowledge to the contrary. The Company shall give to any holder of a Note that is an Institutional Investor promptly upon request therefor, a complete and correct copy of the names and addresses of all registered holders of Notes.

Section 13.2 Transfer and Exchange of Notes. Upon surrender of any Note to the Company at the address and to the attention of the designated officer (all as specified in Section 18(3)), for registration of transfer or exchange (and in the case of a surrender for registration of transfer accompanied by a written instrument of transfer duly executed by the registered holder of such Note or such holder's attorney duly authorized in writing and accompanied by the relevant name, address and other information for notices of each transferee of such Note or part thereof), within 10 Business Days thereafter, the Company shall execute and deliver, at the Company's expense (except as provided below), one or more new Notes of the same series (as requested by the holder thereof) in exchange therefor, in an aggregate principal amount equal to the unpaid principal amount of the surrendered Note. Each such new Note shall be payable to such Person as such holder may request and shall be substantially in the form of Schedule 1(a), Schedule 1(b) or Schedule 1(c), as applicable. Each such new Note shall be dated and bear interest from the date to which interest shall have been paid on the surrendered Note or dated the date of the surrendered Note if no interest shall have been paid thereon. The Company may require payment of a sum sufficient to cover any stamp tax or governmental charge imposed in respect of any such transfer of Notes. Notes shall not be transferred in denominations of less than $100,000, *provided* that if necessary to enable the registration of transfer by a holder of its entire holding of Notes of a series, one Note of such series may be in a denomination of less than $100,000. Any transferee, by its acceptance of a Note registered in its name (or the name of its nominee), shall be deemed to have made the representation set forth in Section 6.2.

Section 13.3 Replacement of Notes. Upon receipt by the Company at the address and to the attention of the designated officer (all as specified in Section 18(3)) of evidence reasonably satisfactory to it of the ownership of and the loss, theft, destruction or mutilation of any Note (which evidence shall be, in the case of an Institutional Investor, notice from such Institutional Investor of such ownership and such loss, theft, destruction or mutilation), and

(a) in the case of loss, theft or destruction, of indemnity reasonably satisfactory to it (*provided* that if the holder of such Note is, or is a nominee for, an original Purchaser or another holder of a Note with a minimum net worth of at least

$50,000,000 or a Qualified Institutional Buyer, such Person's own unsecured agreement of indemnity shall be deemed to be satisfactory), or

(b) in the case of mutilation, upon surrender and cancellation thereof,

within 10 Business Days thereafter, the Company at its own expense shall execute and deliver, in lieu thereof, a new Note of the same series, dated and bearing interest from the date to which interest shall have been paid on such lost, stolen, destroyed or mutilated Note or dated the date of such lost, stolen, destroyed or mutilated Note if no interest shall have been paid thereon.

SECTION 14. PAYMENTS ON NOTES.

Section 14.1 Place of Payment. Subject to Section 14.2, payments of principal, Make-Whole Amount, if any, and interest becoming due and payable on the Notes shall be made in New York, New York at the principal office of PNC Bank, National Association. in such jurisdiction. The Company may at any time, by notice to each holder of a Note, change the place of payment of the Notes so long as such place of payment shall be either the principal office of the Company in such jurisdiction or the principal office of a bank or trust company in such jurisdiction.

Section 14.2 Home Office Payment. So long as any Purchaser or its nominee shall be the holder of any Note, and notwithstanding anything contained in Section 14.1 or in such Note to the contrary, the Company will pay all sums becoming due on such Note for principal, Make-Whole Amount, if any, interest and all other amounts becoming due hereunder by the method and at the address specified for such purpose below such Purchaser's name in Schedule B, or by such other method or at such other address as such Purchaser shall have from time to time specified to the Company in writing for such purpose, without the presentation or surrender of such Note or the making of any notation thereon, except that upon written request of the Company made concurrently with or reasonably promptly after payment or prepayment in full of any Note, such Purchaser shall surrender such Note for cancellation, reasonably promptly after any such request, to the Company at its principal executive office or at the place of payment most recently designated by the Company pursuant to Section 14.1. Prior to any sale or other disposition of any Note held by a Purchaser or its nominee, such Purchaser will, at its election, either endorse thereon the amount of principal paid thereon and the last date to which interest has been paid thereon or surrender such Note to the Company in exchange for a new Note or Notes pursuant to Section 13.2. The Company will afford the benefits of this Section 14.2 to any Institutional Investor that is the direct or indirect transferee of any Note purchased by a Purchaser under this Agreement and that has made the same agreement relating to such Note as the Purchasers have made in this Section 14.2.

Section 14.3 FATCA Information. By acceptance of any Note, the holder of such Note agrees that such holder will with reasonable promptness duly complete and deliver to the Company, or to such other Person as may be reasonably requested by the Company, from time to time (a) in the case of any such holder that is a United States Person, such holder's United States tax identification number or other forms reasonably requested by the Company necessary to establish such holder's status as a United States Person under FATCA and as may otherwise be necessary for the Company to comply with its obligations under FATCA and (b) in the case of

any such holder that is not a United States Person, such documentation prescribed by applicable law (including as prescribed by section 1471(b)(3)(C)(i) of the Code) and such additional documentation as may be necessary for the Company to comply with its obligations under FATCA and to determine that such holder has complied with such holder's obligations under FATCA or to determine the amount, if any, to deduct and withhold from any such payment made to such holder. Nothing in this Section 14.3 shall require any holder to provide information that is confidential or proprietary to such holder unless the Company is required to obtain such information under FATCA and, in such event, the Company shall treat any such information it receives as confidential. For purposes of this Section 14.3, FATCA shall not include any amended or successor version that becomes effective following the date of this Agreement and that is materially more onerous to comply with or is not substantively comparable.

Section 14.4 Tax Withholding. The Company will be entitled to deduct and withhold from any amounts payable pursuant to or as contemplated by this Agreement any taxes or other amounts required under the Code, or any applicable tax law to be deducted and withheld, and, to the extent that any amounts are so deducted or withheld, such amounts will be treated for all purposes of this Agreement as having been paid to the applicable holder of a Note; *provided, however*, except as otherwise required by applicable law including FATCA, the Company agrees that it will not withhold from any applicable payment to be made to (a) a holder of a Note that is a United States Person any tax so long as such holder shall have delivered to the Company (in such number of copies as shall be reasonably requested) on or about the date on which such holder becomes a holder under this Agreement and, in all events, prior to the date upon which a payment shall be made to such holder pursuant to the terms of this Agreement (and from time to time thereafter upon the reasonable request of the Company or at such time or times as required by applicable law), executed copies of Internal Revenue Service Form W-9 (or any successor form), correctly completed and executed and valid and in effect, and (b) a holder of a Note that is not a United States Person any tax so long as such holder shall have delivered to the Company (in such number of copies as shall be reasonably requested) on or about the date on which such holder becomes a holder under this Agreement and, in all events, prior to the date upon which a payment shall be made to such holder pursuant to the terms of this Agreement (and from time to time thereafter upon the reasonable request of the Company or at such time or times as required by applicable law), executed copies of Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E, as applicable, and in each case any successor form, either (1): establishing an exemption from U.S. federal withholding tax pursuant to the "interest" article of an applicable income tax treaty to which the United States is a party or (2) together with a "U.S. Tax Compliance Certificate" substantially in the form attached as Schedule 14.4, in both cases correctly completed and executed and valid and in effect.

SECTION 15. EXPENSES, ETC.

Section 15.1 Transaction Expenses. Whether or not the transactions contemplated hereby are consummated, the Company will pay all costs and expenses (including reasonable attorneys' fees of a special counsel and, if reasonably required by the Required Holders, local or other counsel) incurred by the Purchasers and each other holder of a Note in connection with such transactions and in connection with any amendments, waivers or consents under or in respect of this Agreement, any Subsidiary Guaranty or the Notes (whether or not such amendment, waiver or consent becomes effective) within 15 Business Days after the Company's

receipt of any invoice therefor, including: (a) the costs and expenses incurred in enforcing or defending (or determining whether or how to enforce or defend) any rights under this Agreement, any Subsidiary Guaranty or the Notes or in responding to any subpoena or other legal process or informal investigative demand issued in connection with this Agreement, any Subsidiary Guaranty or the Notes, or by reason of being a holder of any Note, (b) the costs and expenses, including financial advisors' fees, incurred in connection with the insolvency or bankruptcy of the Company or any Subsidiary or in connection with any work-out or restructuring of the transactions contemplated hereby and by the Notes and any Subsidiary Guaranty and (c) the costs and expenses incurred in connection with the initial filing of this Agreement and all related documents and financial information with the SVO *provided*, that such costs and expenses under this clause (c) shall not exceed $5,000 per series. In the event that any such invoice is not paid within 15 Business Days after the Company's receipt thereof, interest on the amount of such invoice shall be due and payable at the then maximum Default Rate commencing with the 16th Business Day after the Company's receipt thereof until such invoice has been paid.

The Company will pay, and will save each Purchaser and each other holder of a Note harmless from, (1) all claims in respect of any fees, costs or expenses, if any, of brokers and finders (other than those, if any, retained by a Purchaser or other holder in connection with its purchase of the Notes), (2) any and all wire transfer fees that any bank or other financial institution deducts from any payment under such Note to such holder or otherwise charges to a holder of a Note with respect to a payment under such Note and (3) any judgment, liability, claim, order, decree, fine, penalty, cost, fee, expense (including reasonable attorneys' fees and expenses) or obligation resulting from the consummation of the transactions contemplated hereby, including the use of the proceeds of the Notes by the Company other than any judgment, liability, claim, order, decree, fine, penalty, cost, fee, expense (including reasonable attorneys' fees and expenses) or obligation resulting from the gross negligence or willful misconduct of such holder.

Section 15.2 Survival. The obligations of the Company under this Section 15 will survive the payment or transfer of any Note, the enforcement, amendment or waiver of any provision of this Agreement, any Subsidiary Guaranty or the Notes, and the termination of this Agreement.

Section 15.3 Certain Taxes. The Company agrees to pay all stamp, documentary or similar taxes or fees which may be payable in respect of the execution and delivery or the enforcement of this Agreement or any Subsidiary Guaranty or the execution and delivery (but not the transfer) or the enforcement of any of the Notes in the United States of America or any other jurisdiction where the Company or any Subsidiary Guarantor has assets or of any amendment of, or waiver or consent under or with respect to, this Agreement or any Subsidiary Guaranty or of any of the Notes, and to pay any value added tax due and payable in respect of reimbursement of costs and expenses by the Company pursuant to this Section 15, and will save each holder of a Note to the extent permitted by applicable law harmless against any loss or liability resulting from nonpayment or delay in payment of any such tax or fee required to be paid by the Company hereunder.

SECTION 16. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT.

All representations and warranties contained herein shall survive the execution and delivery of this Agreement and the Notes, the purchase or transfer by any Purchaser of any Note or portion thereof or interest therein and the payment of any Note, and may be relied upon by any subsequent holder of a Note, regardless of any investigation made at any time by or on behalf of such Purchaser or any other holder of a Note. All statements contained in any certificate or other instrument delivered by or on behalf of the Company pursuant to this Agreement shall be deemed representations and warranties of the Company under this Agreement. Subject to the preceding sentence, this Agreement, the Notes and any Subsidiary Guaranties embody the entire agreement and understanding between each Purchaser and the Company and supersede all prior agreements and understandings relating to the subject matter hereof.

SECTION 17. AMENDMENT AND WAIVER.

Section 17.1 Requirements. This Agreement and the Notes may be amended, and the observance of any term hereof or of the Notes may be waived (either retroactively or prospectively), only with the written consent of the Company and the Required Holders, except that:

(a) no amendment or waiver of any of Sections 1, 2, 3, 4, 5, 6, or 21, or any defined term (as it is used therein), will be effective as to any Purchaser unless consented to by such Purchaser in writing; and

(b) no amendment or waiver may, without the written consent of each holder of each Note at the time outstanding, (1) subject to Section 12 relating to acceleration or rescission, change the amount or time of any prepayment or payment of principal of, or reduce the rate or change the time of payment or method of computation of (i) interest on the Notes or (ii) the Make-Whole Amount, (2) change the percentage of the principal amount of the Notes the holders of which are required to consent to any amendment or waiver or the principal amount of the Notes that the Purchasers are to purchase pursuant to Section 2 upon satisfaction of the conditions to Closing that appear in Section 4, or (3) amend any of Sections 8, 11(a), 11(b), 12, 17 or 20.

Section 17.2 Solicitation of Holders of Notes.

(a) *Solicitation*. The Company will provide each Purchaser and each holder of a Note with sufficient information, sufficiently far in advance of the date a decision is required, to enable such Purchaser and such holder to make an informed and considered decision with respect to any proposed amendment, waiver or consent in respect of any of the provisions hereof or of the Notes or any Subsidiary Guaranty. The Company will deliver executed or true and correct copies of each amendment, waiver or consent effected pursuant to this Section 17 or any Subsidiary Guaranty to each Purchaser and each holder of a Note promptly following the date on which it is executed and delivered by, or receives the consent or approval of, the requisite holders of Notes.

(b) *Payment*. The Company will not directly or indirectly pay or cause to be paid any remuneration, whether by way of supplemental or additional interest, fee or otherwise, or grant any security or provide other credit support, to any Purchaser or holder of a Note as consideration for or as an inducement to the entering into by such holder of any waiver or amendment of any of the terms and provisions hereof or of any Subsidiary Guaranty or any Note unless such remuneration is concurrently paid, or security is concurrently granted or other credit support concurrently provided, on the same terms, ratably to each Purchaser and each holder of a Note even if such Purchaser or holder did not consent to such waiver or amendment.

(c) *Consent in Contemplation of Transfer*. Any consent given pursuant to this Section 17 or any Subsidiary Guaranty by a holder of a Note that has transferred or has agreed to transfer its Note to the Company or any other Person in connection with such consent shall be void and of no force or effect except solely as to such holder, and any amendments effected or waivers granted or to be effected or granted that would not have been or would not be so effected or granted but for such consent (and the consents of all other holders of Notes that were acquired under the same or similar conditions) shall be void and of no force or effect except solely as to such holder.

Section 17.3 Binding Effect, Etc. Any amendment or waiver consented to as provided in this Section 17 or any Subsidiary Guaranty applies equally to each Purchaser and all holders of Notes and is binding upon them and upon each future holder of any Note and upon the Company without regard to whether such Note has been marked to indicate such amendment or waiver. No such amendment or waiver will extend to or affect any obligation, covenant, agreement, Default or Event of Default not expressly amended or waived or impair any right consequent thereon. No course of dealing between the Company and any Purchaser or holder of a Note and no delay in exercising any rights hereunder or under any Note or Subsidiary Guaranty shall operate as a waiver of any rights of any Purchaser or holder of such Note.

Section 17.4 Notes Held by Company, Etc. Solely for the purpose of determining whether the holders of the requisite percentage of all or the aggregate principal amount of Notes then outstanding approved or consented to any amendment, waiver or consent to be given under this Agreement, any Subsidiary Guaranty or the Notes, or have directed the taking of any action provided herein or in any Subsidiary Guaranty or the Notes to be taken upon the direction of the holders of all or a specified percentage of the aggregate principal amount of Notes then outstanding, Notes directly or indirectly owned by the Company or any of its Affiliates shall be deemed not to be outstanding.

SECTION 18. NOTICES.

Except to the extent otherwise provided in Section 7.4, all notices and communications provided for hereunder shall be in writing and sent (a) by telecopy if the sender on the same day sends a confirming copy of such notice by an internationally recognized overnight delivery service (charges prepaid), (b) by registered or certified mail with return receipt requested (postage prepaid), or (c) by an internationally recognized overnight delivery service (charges prepaid). Any such notice must be sent:

(1) if to any Purchaser or its nominee, to such Purchaser or nominee at the address specified for such communications in Schedule B, or at such other address as such Purchaser or nominee shall have specified to the Company in writing,

(2) if to any other holder of any Note, to such holder at such address as such other holder shall have specified to the Company in writing, or

(3) if to the Company, to the Company at its address set forth at the beginning hereof to the attention of the Chief Financial Officer, or at such other address as the Company shall have specified to each Purchaser and the holder of each Note in writing.

Notices under this Section 18 will be deemed given only when actually received.

SECTION 19. REPRODUCTION OF DOCUMENTS.

This Agreement and all documents relating hereto, including, (a) consents, waivers and modifications that may hereafter be executed, (b) documents received by any Purchaser at a Closing (except the Notes themselves), and (c) financial statements, certificates and other information previously or hereafter furnished to any Purchaser or any other holder of a Note, may be reproduced by such Purchaser or holder by any photographic, photostatic, electronic, digital, or other similar process and such Purchaser or holder may destroy any original document so reproduced. The Company agrees and stipulates that, to the extent permitted by applicable law, any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by such Purchaser or holder in the regular course of business) and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence. This Section 19 shall not prohibit the Company or any other Purchaser or holder of a Note from contesting any such reproduction to the same extent that it could contest the original, or from introducing evidence to demonstrate the inaccuracy of any such reproduction.

SECTION 20. CONFIDENTIAL INFORMATION.

For the purposes of this Section 20, "**Confidential Information**" means information delivered to any Purchaser by or on behalf of the Company or any Subsidiary in connection with the transactions contemplated by or otherwise pursuant to this Agreement that is proprietary in nature and that was clearly marked or labeled or otherwise adequately identified when received by such Purchaser as being confidential information of the Company or such Subsidiary, *provided* that such term does not include information that (a) was publicly known or otherwise known to such Purchaser prior to the time of such disclosure, (b) subsequently becomes publicly known through no act or omission by such Purchaser or any Person acting on such Purchaser's behalf, (c) otherwise becomes known to such Purchaser other than through disclosure by the Company or any Subsidiary or (d) constitutes financial statements delivered to such Purchaser under Section 7.1 that are otherwise publicly available. Each Purchaser will maintain the confidentiality of such Confidential Information in accordance with procedures adopted by such Purchaser in good faith to protect confidential information of third parties delivered to such

Purchaser, *provided* that such Purchaser may deliver or disclose Confidential Information to (1) its directors, officers, employees, agents, attorneys, trustees and affiliates (to the extent such disclosure reasonably relates to the administration of the investment represented by its Notes), (2) its auditors, financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with this Section 20, (3) any other holder of any Note, (4) any Institutional Investor to which it sells or offers to sell such Note or any part thereof or any participation therein (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by this Section 20), (5) any Person from which it offers to purchase any Security of the Company (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by this Section 20), (6) any federal or state regulatory authority having jurisdiction over such Purchaser, (7) the NAIC or the SVO or, in each case, any similar organization, or any nationally recognized rating agency that requires access to information about such Purchaser's investment portfolio, or (8) any other Person to which such delivery or disclosure may be necessary or appropriate (i) to effect compliance with any law, rule, regulation or order applicable to such Purchaser, (ii) in response to any subpoena or other legal process, (iii) in connection with any litigation to which such Purchaser is a party or (iv) if an Event of Default has occurred and is continuing, to the extent such Purchaser may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under such Purchaser's Notes, this Agreement, or any Subsidiary Guaranty. Each holder of a Note, by its acceptance of a Note, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 20 as though it were a party to this Agreement. On reasonable request by the Company in connection with the delivery to any holder of a Note of information required to be delivered to such holder under this Agreement or requested by such holder (other than a holder that is a party to this Agreement or its nominee), such holder will enter into an agreement with the Company embodying this Section 20.

In the event that as a condition to receiving access to information relating to the Company or its Subsidiaries in connection with the transactions contemplated by or otherwise pursuant to this Agreement, any Purchaser or holder of a Note is required to agree to a confidentiality undertaking (whether through Intralinks, another secure website, a secure virtual workspace or otherwise) which is different from this Section 20, this Section 20 shall not be amended thereby and, as between such Purchaser or such holder and the Company, this Section 20 shall supersede any such other confidentiality undertaking.

SECTION 21. SUBSTITUTION OF PURCHASER.

Each Purchaser shall have the right to substitute any one of its Affiliates or another Purchaser or any one of such other Purchaser's Affiliates (a **"Substitute Purchaser"**) as the purchaser of the Notes that it has agreed to purchase hereunder, by written notice to the Company, which notice shall be signed by both such Purchaser and such Substitute Purchaser, shall contain such Substitute Purchaser's agreement to be bound by this Agreement and shall contain a confirmation by such Substitute Purchaser of the accuracy with respect to it of the representations set forth in Section 6. Upon receipt of such notice, any reference to such Purchaser in this Agreement (other than in this Section 21), shall be deemed to refer to such Substitute Purchaser in lieu of such original Purchaser. In the event that such Substitute Purchaser is so substituted as a Purchaser hereunder and such Substitute Purchaser thereafter

transfers to such original Purchaser all of the Notes then held by such Substitute Purchaser, upon receipt by the Company of notice of such transfer, any reference to such Substitute Purchaser as a "Purchaser" in this Agreement (other than in this Section 21), shall no longer be deemed to refer to such Substitute Purchaser, but shall refer to such original Purchaser, and such original Purchaser shall again have all the rights of an original holder of the Notes under this Agreement.

SECTION 22. MISCELLANEOUS.

Section 22.1 Successors and Assigns. All covenants and other agreements contained in this Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns (including any subsequent holder of a Note) whether so expressed or not, except that, subject to Section 10.2, the Company may not assign or otherwise transfer any of its rights or obligations hereunder or under the Notes without the prior written consent of each Purchaser and each holder of the Notes. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto and their respective successors and assigns permitted hereby) any legal or equitable right, remedy or claim under or by reason of this Agreement.

Section 22.2 Accounting Terms. All accounting terms used herein which are not expressly defined in this Agreement have the meanings respectively given to them in accordance with GAAP. Except as otherwise specifically provided herein, (a) all computations made pursuant to this Agreement shall be made in accordance with GAAP, and (b) all financial statements shall be prepared in accordance with GAAP. For purposes of determining compliance with this Agreement (including Section 9, Section 10 and the definition of "Indebtedness"), any election by the Company to measure any financial liability using fair value (as permitted by Financial Accounting Standards Board Accounting Standards Codification Topic No. 825-10-25 – *Fair Value Option*, International Accounting Standard 39 – *Financial Instruments: Recognition and Measurement* or any similar accounting standard) shall be disregarded and such determination shall be made as if such election had not been made.

Section 22.3 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

Section 22.4 Construction, Etc. Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

Defined terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be

deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein) and, for purposes of the Notes, shall also include any such notes issued in substitution therefor pursuant to Section 13, (b) subject to Section 22.1, any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Sections and Schedules shall be construed to refer to Sections of, and Schedules to, this Agreement, and (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time.

Section 22.5 Counterparts; Electronic Contracting. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto. The parties agree to electronic contracting and signatures with respect to this Agreement and all other documents delivered hereunder (other than the Notes). Delivery of an electronic signature to, or a signed copy of, this Agreement and all other documents delivered hereunder (other than the Notes) by facsimile, email or other electronic transmission shall be fully binding on the parties to the same extent as the delivery of the signed originals and shall be admissible into evidence for all purposes. Notwithstanding the foregoing, if any Purchaser shall request manually signed counterpart signatures to this Agreement or any other documents delivered hereunder, the Company hereby agree to use its reasonable endeavors to provide such manually signed signature pages as soon as reasonably practicable.

Section 22.6 Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

Section 22.7 Jurisdiction and Process; Waiver of Jury Trial.

(a) The Company irrevocably submits to the non-exclusive jurisdiction of any New York State or federal court sitting in the Borough of Manhattan, The City of New York, over any suit, action or proceeding arising out of or relating to this Agreement or the Notes. To the fullest extent permitted by applicable law, the Company irrevocably waives and agrees not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

(b) The Company consents to process being served by or on behalf of any Purchaser or holder of a Note in any suit, action or proceeding of the nature referred to in Section 22.7(a) by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, return receipt requested, to it at its address specified in Section 18 or at such other address of which such Purchaser or holder shall then have been notified pursuant to said Section. The Company agrees that such service upon receipt (1) shall be deemed in every respect effective service of process upon it in any such suit, action or proceeding and (2) shall, to the fullest extent permitted by applicable law, be taken and held to be valid personal service upon and personal delivery to it. Notices hereunder shall be conclusively presumed received as evidenced by a delivery receipt furnished by the United States Postal Service or any reputable commercial delivery service.

(c) Nothing in this Section 22.7 shall affect the right of any Purchaser or holder of a Note to serve process in any manner permitted by law, or limit any right that any Purchaser or holder of a Note may have to bring proceedings against the Company in the courts of any appropriate jurisdiction or to enforce in any lawful manner a judgment obtained in one jurisdiction in any other jurisdiction.

(d) The parties hereto hereby waive trial by jury in any action brought on or with respect to this Agreement, the Notes or any other document executed in connection herewith or therewith.

* * * * *

If you are in agreement with the foregoing, please sign the form of agreement on a counterpart of this Agreement and return it to the Company, whereupon this Agreement shall become a binding agreement between you and the Company.

Very truly yours,

CHESAPEAKE UTILITIES CORPORATION

By: Beth W. Cooper
Name: Beth W. Cooper
Title: Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary

Accepted as of the date first written above.

LEGAL AND GENERAL ASSURANCE SOCIETY LIMITED

By: Legal & General Investment Management America, Inc., its Investment Manager

By: Edward Wood

Name: Edward Wood
Title: Head of Private Credit Investment, North America

THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST

By: Legal & General Investment Management America, Inc., its Investment Manager

By: Edward Wood

Name: Edward Wood
Title: Head of Private Credit Investment, North America

Docusign Envelope ID: 26C03E1D-4579-43B0-BFF1-17ACB3902A56

Accepted as of the date first written above.

SYMETRA LIFE INSURANCE COMPANY

By: Symetra Investment Management Company, acting as its agent

By: Signed by: Yvonne Guajardo 252ACD5AE9E0477...

Name: Yvonne Guajardo
Title: Senior Managing Director

Accepted as of the date first written above.

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

By: Northwestern Mutual Investment Management Company, LLC, its investment adviser

By: _____

Name: Daniel Ketelsleger
Title: Managing Director

Docusign Envelope ID: 661CA27E-24A7-425C-AD44-F0DF786709F6

Accepted as of the date first written above.

STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY

By: Signed by: 1D422D1478BC4E6...

Name: Rebekah L. Holt
Title: Investment Professional

By: DocuSigned by: ACFCF0B51EB349D...

Name: Michelle K. Marsh
Title: Investment Professional

STATE FARM FIRE AND CASUALTY COMPANY

By: Signed by: 1D422D1478BC4E6...

Name: Rebekah L. Holt
Title: Investment Professional

By: DocuSigned by: ACFCF0B51EB349D...

Name: Michelle K. Marsh
Title: Investment Professional

Docusign Envelope ID: D2C2B0EE-E2DC-4834-9036-558FD2235DAF

Accepted as of the date first written above.

BERKLEY INSURANCE COMPANY

By: Signed by: Richard Baio F21FD85819534E1...

Name: Richard M. Baio
Title: Executive Vice President and Treasurer

Accepted as of the date first written above.

BRIGHTHOUSE LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, Its Investment Manager

By: Shaun Oliver

Name: Shaun Oliver
Title: Authorized Signatory

Docusign Envelope ID: 16A9FD51-080D-43AE-94F8-2AB64F2F4D16

Accepted as of the date first written above.

EQUITABLE FINANCIAL LIFE INSURANCE COMPANY OF AMERICA

By: Monica Heyl

Name: Monica Heyl
Title: Investment Officer

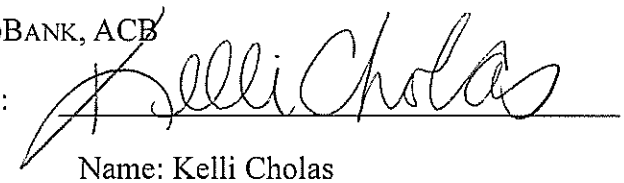
EQUITABLE FINANCIAL LIFE INSURANCE COMPANY

By: Monica Heyl

Name: Monica Heyl
Title: Investment Officer

Accepted as of the date first written above.

CoBank, ACB

By: 

Name: Kelli Cholas
Title: Assistant Corporate Secretary

Accepted as of the date first written above.

WESTERN-SOUTHERN LIFE ASSURANCE COMPANY

By: _____

Name: Sarah Sparks Herron
Title: Vice President & Associate General Counsel

By: _____

Name: Jay V. Johnson
Title: Vice President & Treasurer

Accepted as of the date first written above.

AMERICAN FAMILY MUTUAL INSURANCE COMPANY, S.I.

By: American Family Investments, Inc., its investment manager

By: _____

Name: David L. Voge
Title: Director Private Markets

DEFINED TERMS

As used herein, the following terms have the respective meanings set forth below or set forth in the Section hereof following such term:

"Affiliate" means, at any time (a) with respect to any Person, any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person, and (b) with respect to the Company, shall include any Person beneficially owning or holding, directly or indirectly, 5% or more of any class of voting or equity interests of the Company or any Subsidiary or any Person of which the Company and its Subsidiaries beneficially own or hold, in the aggregate, directly or indirectly, 5% or more of any class of voting or equity interests. As used in this definition, "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. Unless the context otherwise clearly requires, any reference to an "Affiliate" is a reference to an Affiliate of the Company.

"Agreement" means this Agreement, including all Schedules attached to this Agreement.

"Anti-Corruption Laws" means any law or regulation in a U.S. or any non-U.S. jurisdiction regarding bribery or any other corrupt activity, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010.

"Anti-Money Laundering Laws" means any law or regulation in a U.S. or any non-U.S. jurisdiction regarding money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes, including the Currency and Foreign Transactions Reporting Act of 1970 (otherwise known as the Bank Secrecy Act), and the USA PATRIOT Act.

"Blocked Person" means (a) a Person whose name appears on the Specially Designated Nationals and Blocked Persons List published by OFAC, (b) a Person, entity, organization, country, territory or regime that is blocked or a target of sanctions that have been imposed under U.S. Economic Sanctions Laws or (c) a Person that is an agent, department or instrumentality of, or is otherwise beneficially owned by, controlled by or acting on behalf of, directly or indirectly, any Person, entity, organization, country, territory or regime described in clause (a) or (b).

"Business Day" means (a) for the purposes of Section 8.6 only, any day other than a Saturday, a Sunday or a day on which commercial banks in New York City are required or authorized to be closed, and (b) for the purposes of any other provision of this Agreement, any day other than a Saturday, a Sunday or a day on which commercial banks in New York, New York or Dover, Delaware are required or authorized to be closed.

"Closing" is defined in Section 3.

"Code" means the Internal Revenue Code of 1986 and the rules and regulations promulgated thereunder from time to time.

"Company" means Chesapeake Utilities Corporation, a Delaware corporation or any successor that becomes such in the manner prescribed in Section 10.2.

"Confidential Information" is defined in Section 20.

"Consolidated Net Worth" means as of any date, the sum of the amounts that would be shown on a consolidated balance sheet of the Company and its Subsidiaries at such date for (a) capital stock, (b) capital surplus and (c) stockholders' equity.

"Consolidated Total Assets" means as of any date the aggregate amount at which the assets of the Company and its Subsidiaries would be shown on a consolidated balance sheet at such date.

"Controlled Entity" means (a) any of the Subsidiaries of the Company and any of their or the Company's respective Controlled Affiliates and (b) if the Company has a parent company, such parent company and its Controlled Affiliates. As used in this definition, "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Current Indebtedness" with respect to any Person, means all liabilities for borrowed money and all liabilities secured by any Lien existing on property owned by that Person (whether or not those liabilities have been assumed) which, in either case, are payable on demand or within one year from their creation, *plus* the aggregate amount of Guaranties by that Person of all such liabilities of other Persons, except: (a) any liabilities which are renewable or extendible at the option of the debtor to a date more than one year from the date of creation thereof; and (b) any liabilities which, although payable within one year, constitute principal payments on indebtedness expressed to mature more than one year from the date of its creation.

"Default" means an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Default Rate" means, with respect to any Note, that rate of interest that is the greater of (a) 2.00% per annum above the rate of interest stated in clause (a) of the first paragraph of such Note or (b) 2.00% over the rate of interest publicly announced PNC Bank, National Association, in New York, New York, as its "base" or "prime" rate.

"Disclosure Documents" is defined in Section 5.3.

"Diversification Event" is defined in Section 8.8.

"Diversification Event Prepayment Date" is defined in Section 8.8.

"EDGAR" means the SEC's Electronic Data Gathering, Analysis and Retrieval System or any successor SEC electronic filing system for such purposes.

"Energy Policy Act of 2005" means the Energy Policy Act of 2005.

"Environmental Laws" means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions having the force of law relating to pollution and the protection of the environment or the release of any Hazardous Materials into the environment.

"ERISA" means the Employee Retirement Income Security Act of 1974 and the rules and regulations promulgated thereunder from time to time in effect.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that is treated as a single employer together with the Company under section 414 of the Code.

"Event of Default" is defined in Section 11.

"Exchange Act" means the Securities Exchange Act of 1934.

"Excluded Assets" means (a) each of the following Subsidiaries or the assets of any of the following Subsidiaries (including any Subsidiary Stock owned directly or indirectly by such Subsidiaries): Skipjack, Inc.; Eastern Shore Real Estate, Inc.; Peninsula Pipeline Company, Inc.; Peninsula Energy Services Company, Inc.; Chesapeake OnSight Services, LLC; and Eight Flags Energy, LLC and (b) any Subsidiary that the Company may create or acquire after the date of this Agreement which is not (1) a "public utility company," a "holding company" or an "affiliate" of a "holding company" or a "subsidiary company" of a "holding company" within the meaning of the Energy Policy Act of 2005 or (2) a "transmitting utility" within the meaning of the Federal Power Act.

"FATCA" means (a) sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version), together with any current or future regulations or official interpretations thereof, (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the United States of America and any other jurisdiction, which (in either case) facilitates the implementation of the foregoing clause (a), and (c) any agreements entered into pursuant to section 1471(b)(1) of the Code.

"FERC" means the Federal Energy Regulatory Commission or a successor thereto.

"Financing Lease" means any lease which is shown or is required to be shown in accordance with GAAP as a liability on a balance sheet of the lessee thereunder.

"Financing Lease Obligation" means the obligation of the lessee under a Financing Lease. The amount of a Financing Lease Obligation at any date is the amount at which the lessee's liability under the Financing Lease would be required to be shown on its balance sheet at such date.

"First Closing" is defined in Section 3.

"First Closing Date" is defined in Section 3.

"Form 10-K" is defined in Section 7.1(b).

"Form 10-Q" is defined in Section 7.1(a).

"FPU" means Florida Public Utilities Company, a Florida corporation.

"Funded Indebtedness" with respect to any Person, means without duplication: (a) its liabilities for borrowed money, other than Current Indebtedness; (b) liabilities secured by any Lien existing on property owned by the Person (whether or not those liabilities have been assumed); (c) the aggregate amount of Guaranties by the Person, other than Guaranties which constitute Current Indebtedness; and (d) its Financing Lease Obligations.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States of America.

"Governmental Authority" means

(a) the government of

(1) the United States of America or any state or other political subdivision thereof, or

(2) any other jurisdiction in which the Company or any Subsidiary conducts all or any part of its business, or which asserts jurisdiction over any properties of the Company or any Subsidiary, or

(b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

"Governmental Official" means any governmental official or employee, employee of any government-owned or government-controlled entity, political party, any official of a political party, candidate for political office, official of any public international organization or anyone else acting in an official capacity.

"Guaranty" with respect to any Person, means all guaranties of, and all other obligations which in effect guaranty, any indebtedness, dividend or other obligation of any other Person (the **"primary obligor"**) in any manner (except any indebtedness or other obligation of any Subsidiary or any Funded Indebtedness of the Company), including obligations incurred through an agreement, contingent or otherwise, by such Person:

(a) to purchase such indebtedness or obligation or any property constituting security therefor;

(b) to advance or supply funds

(1) for the purchase or payment of such indebtedness or obligation, or

(2) to maintain working capital or any balance sheet or income statement condition;

(3) to lease property, or to purchase Securities or other property or services, primarily for the purpose of assuring the owner of such indebtedness or obligation of the ability of the primary obligor to make payment of the indebtedness or obligation; or

(4) otherwise to assure the owner of such indebtedness or obligation, or the primary obligor, against loss;

but excluding endorsements in the ordinary course of business of negotiable instruments for deposit or collection.

The amount of any Guaranty shall be deemed to be the maximum amount for which such Person may be liable, upon the occurrence of any contingency or otherwise, under or by virtue of the Guaranty.

"Hazardous Materials" means any and all pollutants, toxic or hazardous substances or other materials that have been determined by a Governmental Authority to pose a hazard to human health and safety, or are regulated as a pollutant, contaminant, petroleum product, coal combustion residual, manufactured gas plant residual, toxic substance, hazardous substance, hazardous material or hazardous waste including asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum products, lead based paint, radon gas, or similar restricted or prohibited substances.

"holder" means, with respect to any Note, the Person in whose name such Note is registered in the register maintained by the Company pursuant to Section 13.1, *provided, however*, that if such Person is a nominee, then for the purposes of Sections 7, 8.8, 12, 17.2 and 18 and any related definitions in this Schedule A, "holder" shall mean the beneficial owner of such Note whose name and address appears in such register.

"Indebtedness" means Current Indebtedness and Funded Indebtedness.

"INHAM Exemption" is defined in Section 6.2(e).

"Institutional Accredited Investor" is defined in Section 6.1(b).

"Institutional Investor" means (a) any Purchaser of a Note, (b) any holder of a Note holding (together with one or more of its affiliates) more than $2,000,000 of the aggregate principal amount of the Notes then outstanding, (c) any bank, trust company, savings and loan association or other financial institution, any pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form, and (d) any Related Fund of any holder of any Note.

"Investor Presentation" is defined in Section 5.3.

"Lien" means any interest in property securing an obligation owed to, or a claim by, a Person other than the owner of the property, whether the interest is based on common law, statute or contract (including the security interest lien arising from a mortgage, encumbrance, pledge, conditional sale or trust receipt or a lease, consignment or bailment for security

purposes). The term "Lien" shall not include minor reservations, exceptions, encroachments, easements, rights-of-way, covenants, conditions, restrictions and other minor title exceptions affecting property, *provided* that they do not constitute security for a monetary obligation. For the purposes of this Agreement, the Company or a Subsidiary shall be deemed to be the owner of any property which it has acquired or holds subject to a Financing Lease or a conditional sale agreement or other arrangement pursuant to which title to the property has been retained by or vested in some other Person for security purposes, and such retention or vesting shall be deemed to be a Lien.

"Make-Whole Amount" is defined in Section 8.6.

"Material" means material in relation to the business, operations, affairs, financial condition, assets or properties of the Company and its Subsidiaries taken as a whole.

"Material Adverse Effect" means a material adverse effect on (a) the business, operations, affairs, financial condition, assets or properties of the Company and its Subsidiaries taken as a whole, (b) the ability of the Company to perform its obligations under this Agreement and the Notes, (c) the ability of any Subsidiary Guarantor to perform its obligations under its Subsidiary Guaranty, or (d) the validity or enforceability of this Agreement, the Notes or any Subsidiary Guaranty.

"Material Credit Facility" means, as to the Company and its Subsidiaries,

(a) each of the agreements in respect of the Indebtedness set forth on Schedule 5.15 including any renewals, extensions, amendments, supplements, restatements, replacements or refinancing thereof; and

(b) any other agreement(s) creating or evidencing indebtedness for borrowed money entered into on or after the date of this Agreement by the Company or any Subsidiary, or in respect of which the Company or any Subsidiary is an obligor or otherwise provides a guarantee or other credit support **("Credit Facility")**, in a principal amount outstanding or available for borrowing equal to or greater than $25,000,000 (or the equivalent of such amount in the relevant currency of payment, determined as of the date of the closing of such facility based on the exchange rate of such other currency); and if no Credit Facility or Credit Facilities equal or exceed such amounts, then the largest Credit Facility shall be deemed to be a Material Credit Facility.

"Maturity Date" is defined in the first paragraph of each Note.

"Multiemployer Plan" means any Plan that is a "multiemployer plan" (as such term is defined in section 4001(a)(3) of ERISA).

"NAIC" means the National Association of Insurance Commissioners or any successor thereto.

"Notes" is defined in Section 1.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"OFAC Sanctions Program" means any economic or trade sanction that OFAC is responsible for administering and enforcing. A list of OFAC Sanctions Programs may be found at http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx.

"Officer's Certificate" means a certificate of a Senior Financial Officer or of any other officer of the Company whose responsibilities extend to the subject matter of such certificate.

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA or any successor thereto.

"Permitted Commodity Hedging Obligation" means obligations of the Company with respect to commodity agreements or other similar agreements or arrangements entered into in the ordinary course of business designed to protect against, or mitigate risks with respect to, fluctuations of commodity prices to which the Company or any Subsidiary is exposed to in the conduct of its business so long as (a) the management of the Company has determined that entering into such agreements or arrangements are bona fide hedging activities which comply with the Company's risk management policies and (b) such agreements or arrangements are not entered into for speculative purposes and are not of a speculative nature.

"Person" means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, business entity or Governmental Authority.

"Pivotal Utility" means Pivotal Utility Holdings, Inc., a New Jersey corporation, the owner and operator of a business known as Florida City Gas.

"Plan" means an "employee benefit plan" (as defined in section 3(3) of ERISA) subject to Title I of ERISA that is or, within the preceding five years, has been established or maintained, or to which contributions are or, within the preceding five years, have been made or required to be made, by the Company or any ERISA Affiliate or with respect to which the Company or any ERISA Affiliate has any liability.

"property" or **"properties"** means, unless otherwise specifically limited, real or personal property of any kind, tangible or intangible, choate or inchoate.

"PTE" is defined in Section 6.2(a).

"Purchaser" or **"Purchasers"** means each of the purchasers that has executed and delivered this Agreement to the Company and such Purchaser's successors and assigns (so long as any such assignment complies with Section 13.2), *provided, however*, that any Purchaser of a Note that ceases to be the registered holder or a beneficial owner (through a nominee) of such Note as the result of a transfer thereof pursuant to Section 13.2 shall cease to be included within the meaning of "Purchaser" of such Note for the purposes of this Agreement upon such transfer.

"Purchase Money Indebtedness" means Indebtedness of the Company or any Subsidiary which is secured by a Lien on property of the Company or such Subsidiary which

either existed at the time of the original acquisition of the property by the Company or such Subsidiary or was granted or retained in connection with the acquisition or improvement of the property by the Company or such Subsidiary in order to facilitate the financing of such acquisition or improvement.

"Qualified Institutional Buyer" means any Person who is a "qualified institutional buyer" within the meaning of such term as set forth in Rule 144A(a)(1) under the Securities Act.

"QPAM Exemption" is defined in Section 6.2(d).

"Related Fund" means, with respect to any holder of any Note, any fund or entity that (a) invests in Securities or bank loans, and (b) is advised or managed by such holder, the same investment advisor as such holder or by an affiliate of such holder or such investment advisor.

"Renewable Subsidiary" means any Subsidiary primarily engaged in the development, research or production of renewable energy or renewable energy sources.

"Required Holders" means, at any time, (a) prior to the First Closing, the Purchasers, (b) from the First Closing to the Second Closing, the Purchasers of the Series C Notes and the holders of more than 50% in principal amount of the Notes at the time outstanding (exclusive of Notes then owned by the Company or any of its Affiliates) and (c) on or after the Second Closing, the holders of more than 50% in principal amount of the Notes at the time outstanding (exclusive of Notes then owned by the Company or any of its Affiliates).

"Responsible Officer" means any Senior Financial Officer and any other officer of the Company with responsibility for the administration of the relevant portion of this Agreement.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

"Second Closing" is defined in Section 3.

"Second Closing Date" is defined in Section 3.

"Securities" or **"Security"** shall have the meaning specified in section 2(1) of the Securities Act.

"Securities Act" means the Securities Act of 1933 and the rules and regulations promulgated thereunder from time to time in effect.

"Senior Financial Officer" means the chief financial officer, principal accounting officer, treasurer or comptroller of the Company.

"Series A Notes" is defined in Section 1.

"Series B Notes" is defined in Section 1.

"Series C Notes" is defined in Section 1.

"Significant Subsidiary" means any Subsidiary which is a "significant subsidiary" (as defined in Article I, Rule 1-02 of Regulation S-X, promulgated under the Securities Act) of the Company.

"Source" is defined in Section 6.2.

"State Commissions" means the Delaware, Florida and Maryland public utilities commissions or other bodies which regulate the rates of the Company or its Subsidiaries as a natural gas distribution company or otherwise.

"**State Sanctions List**" means a list that is adopted by any state Governmental Authority within the United States of America pertaining to Persons that engage in investment or other commercial activities in Iran or any other country or territory that is a target of economic sanctions imposed under U.S. Economic Sanctions Laws.

"Subsidiary" means any corporation organized under the laws of any State of the United States of America, which conducts the major portion of its business in and makes the major portion of its sales to Persons located in the United States of America, and not less than 80% of the total combined voting power of all classes of Voting Stock, and 80% of all other equity Securities, of which shall, at the time as of which any determination is being made, be owned by the Company either directly or through Subsidiaries. Unless the context otherwise clearly requires, any reference to a "Subsidiary" is a reference to a Subsidiary of the Company.

"Subsidiary Guarantor" means each Subsidiary that has executed and delivered a Subsidiary Guaranty.

"Subsidiary Guaranty" is defined in Section 9.7(a).

"Subsidiary Stock" is defined in Section 10.5(b).

"Substitute Purchaser" is defined in Section 21.

"SVO" means the Securities Valuation Office of the NAIC or any successor to such Office.

"Total Capitalization" means at any date, the aggregate amount at that date, as determined on a consolidated basis, of the Funded Indebtedness of the Company and its Subsidiaries, *plus* Consolidated Net Worth.

"United States Person" has the meaning set forth in Section 7701(a)(30) of the Code.

"USA PATRIOT Act" means United States Public Law 107-56, Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001 and the rules and regulations promulgated thereunder from time to time in effect.

"**U.S. Economic Sanctions Laws**" means those laws, executive orders, enabling legislation or regulations administered and enforced by the United States pursuant to which

economic sanctions have been imposed on any Person, entity, organization, country, territory or regime, including the Trading with the Enemy Act, the International Emergency Economic Powers Act, the Iran Sanctions Act, the Sudan Accountability and Divestment Act and any other OFAC Sanctions Program.

"Voting Stock" means Securities, the holders of which are ordinarily, in the absence of contingencies, entitled to elect the corporate directors (or Persons performing similar functions).

"Wholly-Owned Subsidiary" means any Subsidiary whose financial results are consolidated with the financial results of the Company, and all of the equity Securities of which (except director's qualifying shares) are owned by the Company and/or one or more Wholly-Owned Subsidiaries of the Company.

FORM OF SERIES 2025-A NOTE

CHESAPEAKE UTILITIES CORPORATION

4.88% Series 2025-A SENIOR NOTE DUE AUGUST 1, 2028

No. 2025-AR-__ _____ __, 20__
$_____ PPN: 165303 M*6

FOR VALUE RECEIVED, the undersigned, **CHESAPEAKE UTILITIES CORPORATION** (herein called the **"Company"**), a corporation organized and existing under the laws of the State of Delaware, hereby promises to pay to _____, or registered assigns, the principal sum of _____ **DOLLARS** (or so much thereof as shall not have been prepaid) on August 1, 2028 (the **"Maturity Date"**), with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance hereof at the rate of 4.88% per annum from the date hereof, payable semiannually, on the first day of February and August in each year, commencing with the February 1st or August 1st next succeeding the date hereof, and on the Maturity Date, until the principal hereof shall have become due and payable, and (b) to the extent permitted by law, (1) on any overdue payment of interest and (2) during the continuance of an Event of Default, on such unpaid balance and on any overdue payment of any Make-Whole Amount, at a rate per annum from time to time equal to the greater of (i) 6.88% or (ii) 2.00% over the rate of interest publicly announced by PNC Bank, National Association from time to time in New York, New York as its "base" or "prime" rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand).

Payments of principal of, interest on and any Make-Whole Amount with respect to this Note are to be made in lawful money of the United States of America at the principal office of PNC Bank, National Association in New York, New York or at such other place as the Company shall have designated by written notice to the holder of this Note as provided in the Note Purchase Agreement referred to below.

This Note is one of the Senior Notes (herein called the **"Notes")** issued pursuant to the Note Purchase Agreement, dated as of August 1, 2025 (as from time to time amended, the **"Note Purchase Agreement"**), between the Company and the respective Purchasers named therein and is entitled to the benefits thereof. Each holder of this Note will be deemed, by its acceptance hereof, to have (i) agreed to the confidentiality provisions set forth in Section 20 of the Note Purchase Agreement and (ii) made the representation set forth in Section 6.2 of the Note Purchase Agreement. Unless otherwise indicated, capitalized terms used in this Note shall have the respective meanings ascribed to such terms in the Note Purchase Agreement.

This Note is a registered Note and, as provided in the Note Purchase Agreement, upon surrender of this Note for registration of transfer accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder's attorney duly authorized in writing, a new Note for a like principal amount will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the

Person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company will not be affected by any notice to the contrary.

This Note is subject to optional prepayment, in whole or from time to time in part, at the times and on the terms specified in the Note Purchase Agreement, but not otherwise.

If an Event of Default occurs and is continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount) and with the effect provided in the Note Purchase Agreement.

This Note shall be construed and enforced in accordance with, and the rights of the Company and the holder of this Note shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

CHESAPEAKE UTILITIES CORPORATION

By _____
Name: Beth W. Cooper
Title: Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary

FORM OF SERIES 2025-B NOTE

CHESAPEAKE UTILITIES CORPORATION

5.16% Series 2025-B SENIOR NOTE DUE AUGUST 1, 2031

No. 2025-BR-__ _____ __, 20__
$_____ PPN: 165303 M@4

FOR VALUE RECEIVED, the undersigned, **CHESAPEAKE UTILITIES CORPORATION** (herein called the **"Company"**), a corporation organized and existing under the laws of the State of Delaware, hereby promises to pay to _____, or registered assigns, the principal sum of _____ **DOLLARS** (or so much thereof as shall not have been prepaid) on August 1, 2031 (the **"Maturity Date"**), with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance hereof at the rate of 5.16% per annum from the date hereof, payable semiannually, on the first day of February and August in each year, commencing with the February 1st or August 1st next succeeding the date hereof, and on the Maturity Date, until the principal hereof shall have become due and payable, and (b) to the extent permitted by law, (1) on any overdue payment of interest and (2) during the continuance of an Event of Default, on such unpaid balance and on any overdue payment of any Make-Whole Amount, at a rate per annum from time to time equal to the greater of (i) 7.16% or (ii) 2.00% over the rate of interest publicly announced by PNC Bank, National Association from time to time in New York, New York as its "base" or "prime" rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand).

Payments of principal of, interest on and any Make-Whole Amount with respect to this Note are to be made in lawful money of the United States of America at the principal office of PNC Bank, National Association in New York, New York or at such other place as the Company shall have designated by written notice to the holder of this Note as provided in the Note Purchase Agreement referred to below.

This Note is one of the Senior Notes (herein called the **"Notes")** issued pursuant to the Note Purchase Agreement, dated as of August 1, 2025 (as from time to time amended, the **"Note Purchase Agreement"**), between the Company and the respective Purchasers named therein and is entitled to the benefits thereof. Each holder of this Note will be deemed, by its acceptance hereof, to have (i) agreed to the confidentiality provisions set forth in Section 20 of the Note Purchase Agreement and (ii) made the representation set forth in Section 6.2 of the Note Purchase Agreement. Unless otherwise indicated, capitalized terms used in this Note shall have the respective meanings ascribed to such terms in the Note Purchase Agreement.

This Note is a registered Note and, as provided in the Note Purchase Agreement, upon surrender of this Note for registration of transfer accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder's attorney duly authorized in writing, a new Note for a like principal amount will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the

Person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company will not be affected by any notice to the contrary.

This Note is subject to optional prepayment, in whole or from time to time in part, at the times and on the terms specified in the Note Purchase Agreement, but not otherwise.

If an Event of Default occurs and is continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount) and with the effect provided in the Note Purchase Agreement.

This Note shall be construed and enforced in accordance with, and the rights of the Company and the holder of this Note shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

CHESAPEAKE UTILITIES CORPORATION

By _____
Name: Beth W. Cooper
Title: Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary

FORM OF SERIES 2025-C NOTE

CHESAPEAKE UTILITIES CORPORATION

5.02% Series 2025-C Senior NOTE DUE SEPTEMBER 15, 2030

No. 2025-CR-__ _____ __, 20__
$_____ PPN: 165303 M#2

FOR VALUE RECEIVED, the undersigned, **CHESAPEAKE UTILITIES CORPORATION** (herein called the **"Company"**), a corporation organized and existing under the laws of the State of Delaware, hereby promises to pay to _____, or registered assigns, the principal sum of _____ **DOLLARS** (or so much thereof as shall not have been prepaid) on September 15, 2030 (the **"Maturity Date"**), with interest (computed on the basis of a 360-day year of twelve 30-day months) (a) on the unpaid balance hereof at the rate of 5.02% per annum from the date hereof, payable semiannually, on the fifteenth day of March and September in each year, commencing with the March 15th or September 15th next succeeding the date hereof, and on the Maturity Date, until the principal hereof shall have become due and payable, and (b) to the extent permitted by law, (1) on any overdue payment of interest and (2) during the continuance of an Event of Default, on such unpaid balance and on any overdue payment of any Make-Whole Amount, at a rate per annum from time to time equal to the greater of (i) 7.02% or (ii) 2.00% over the rate of interest publicly announced by PNC Bank, National Association from time to time in New York, New York as its "base" or "prime" rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand).

Payments of principal of, interest on and any Make-Whole Amount with respect to this Note are to be made in lawful money of the United States of America at the principal office of PNC Bank, National Association in New York, New York or at such other place as the Company shall have designated by written notice to the holder of this Note as provided in the Note Purchase Agreement referred to below.

This Note is one of the Senior Notes (herein called the **"Notes")** issued pursuant to the Note Purchase Agreement, dated as of August 1, 2025 (as from time to time amended, the **"Note Purchase Agreement"**), between the Company and the respective Purchasers named therein and is entitled to the benefits thereof. Each holder of this Note will be deemed, by its acceptance hereof, to have (i) agreed to the confidentiality provisions set forth in Section 20 of the Note Purchase Agreement and (ii) made the representation set forth in Section 6.2 of the Note Purchase Agreement. Unless otherwise indicated, capitalized terms used in this Note shall have the respective meanings ascribed to such terms in the Note Purchase Agreement.

This Note is a registered Note and, as provided in the Note Purchase Agreement, upon surrender of this Note for registration of transfer accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder's attorney duly authorized in writing, a new Note for a like principal amount will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the

Person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company will not be affected by any notice to the contrary.

This Note is subject to optional prepayment, in whole or from time to time in part, at the times and on the terms specified in the Note Purchase Agreement, but not otherwise.

If an Event of Default occurs and is continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount) and with the effect provided in the Note Purchase Agreement.

This Note shall be construed and enforced in accordance with, and the rights of the Company and the holder of this Note shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

CHESAPEAKE UTILITIES CORPORATION

By _____
Name: Beth W. Cooper
Title: Executive Vice President, Chief Financial Officer, Treasurer and Assistant Corporate Secretary

FORM OF OPINION OF SPECIAL COUNSEL
FOR THE COMPANY

[BAKER & HOSTETLER LLP]

[Date of Closing]
[Purchasers]
Ladies and Gentlemen:

We have acted as special counsel for Chesapeake Utilities Corporation, a Delaware corporation (the **"Company"**), in connection with the Note Purchase Agreement, dated as of August 1, 2025, among the Company and each of you (the "**Note Agreement**"), pursuant to which the Company has issued on the date hereof [$150,000,000 aggregate principal amount of its senior notes, consisting of (a) $60,000,000 aggregate principal amount of its 4.88% Series 2025-A Senior Notes due August 1, 2028 (the "**Series A Notes**") and (b) $90,000,000 aggregate principal amount of its 5.16% Series 2025-B Senior Notes due August 1, 2031 (the "**Series B Notes**" and, together with the Series A Notes, the **"Notes**")] [$50,000,000 aggregate principal amount of its 5.02% Series 2025-C Senior Notes due September 15, 2030 (the **"Notes"**)].[1] Unless otherwise defined herein, capitalized terms used herein have the respective meanings specified in the Note Agreement. This letter is being delivered to each of you pursuant to Section 4.4(a) of the Note Agreement and with the understanding that each of you is purchasing the Notes in reliance on the opinions expressed herein.

In rendering the opinions set forth herein, we have reviewed (i) the Note Agreement, (ii) the Notes and (iii) such corporate records, certificates and other documents, and such questions of law, as we have deemed necessary or appropriate for the purposes of this opinion.

We have assumed that all signatures are genuine (other than, in the case of the Note Agreement and the Notes, those of the Company), that all documents submitted to us as originals are authentic and that all copies of documents submitted to us conform to the originals. We also have assumed:

(i) as to factual matters, the accuracy of the warranties and representations contained in the Note Agreement, including the representations of the Purchasers in Section 6.1 of the Note Agreement and in the certificates delivered by officers of the Company pursuant to Section 4.3 of the Note Agreement;

(ii) that any authorization, consent, approval, exemption or other action by, or notice to or filing with, any court, administrative or governmental body that is required for the execution and delivery of the Note Agreement and the Notes or the consummation of the transactions contemplated thereby in

[1] To be updated for the First Closing or the Second Closing, as applicable.

accordance with the terms thereof (other than to the extent addressed in paragraphs 6 and 7 below) has been duly obtained or made or shall be timely and duly obtained or made;

(iii) that, other than to the extent addressed in paragraph 8 below, the execution and delivery of the Note Agreement and the Notes, the offering, issuance and sale of the Notes and the consummation by the Company of the transactions contemplated in the Note Agreement and the Notes in accordance with the terms thereof do not violate or contravene any statute, law, rule or regulation or any judgment, order, decree or permit issued by any court, arbitrator or governmental or regulatory authority; and

(iv) that the Note Agreement is a binding and enforceable agreement of each party thereto other than the Company.

We have made no investigation for the purpose of verifying these assumptions.

Based on the foregoing, and subject to the qualifications and assumptions set forth herein, we are of the opinion that, insofar as the law of the State of New York, the law of the State of Florida, the Delaware General Corporation Law (the **"DGCL"**) and the federal law of the United States of America are concerned:

1. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware.

2. The Company has [or had] the corporate power and authority to execute, deliver and perform its obligations under the Note Agreement and the Notes.

3. The Note Agreement and the Notes have been duly authorized by all requisite corporate action and duly executed and delivered by authorized officers of the Company and constitute the valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, and other similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

4. It is not necessary in connection with the offer, issuance, sale and delivery of the Notes to the Purchasers under the circumstances contemplated by Section 5.14 of the Note Agreement to register the Notes under the Securities Act of 1933, as amended, or to qualify an indenture in respect of the Notes under the Trust Indenture Act of 1939, as amended.

5. Neither the issuance and the sale of the Notes by the Company nor the use of the proceeds thereof as described in the Note Agreement violates Regulation X of the Board of Governors of the Federal Reserve System or will cause any Purchaser to violate Regulation T or U of the Board of Governors of the Federal Reserve System to the extent it may be subject thereto.

6. No consent, approval, authorization or other action by or filing with any governmental agency or instrumentality of the State of New York or the United States of

America or under the DGCL was or is required on the part of the Company for the execution and delivery of the Note Agreement and the Notes or for the consummation by the Company of the transactions contemplated thereby, or the performance of its obligations thereunder, in accordance with the terms thereof.

7. Other than with respect to the public utilities laws of the State of Florida which are the subject of the opinion dated and delivered to each of you as of the date hereof by Gunster, Yoakley & Stewart, P.A., no consent, approval, authorization or other action by or filing with any governmental agency or instrumentality of the State of Florida was or is required on the part of the Company for the execution and delivery of the Note Agreement and the Notes or for the consummation by the Company of the transactions contemplated thereby, or the performance of its obligations thereunder, in accordance with the terms thereof.

8. The execution and delivery of the Note Agreement and the Notes, the offering, issuance and sale of the Notes and the consummation by the Company of the transactions contemplated thereby, and the performance of its obligations thereunder, in accordance with the terms thereof (i) do not on the date hereof, violate the DGCL, any New York or federal statute, law, rule or regulation to which the Company is subject, or the usury laws of the State of New York and (ii) do not on the date hereof, conflict with, breach the terms, conditions or provisions of, or constitute a default under, violate, or result in the creation of any Lien upon any of the properties or assets of the Company pursuant to (A) the Amended and Restated Certificate of Incorporation of the Company dated May 8, 2025 or the Amended and Restated Bylaws of the Company dated May 7, 2025, or (B) any of the instruments or agreements listed on Schedule 5.15 of the Note Agreement (as such Schedule has been supplemented or otherwise modified on or prior to the date of this letter in the Officer's Certificate delivered by the Company pursuant to Section 4.3(a) of the Note Agreement).

The foregoing opinions are subject to the following qualifications:

(a) We express no opinion as to:

(i) waivers of the rights to object to venue or other rights or benefits bestowed by operation of law;

(ii) provisions for liquidated damages and penalties, penalty interest and interest on interest, it being understood that the provisions of Sections 8.2 and 12 of the Note Agreement are not excluded under this clause (ii);

(iii) provisions purporting to require a prevailing party in a dispute to pay attorneys' fees and expenses, or other costs, to a non-prevailing party;

(iv) provisions purporting to supersede equitable principles, including provisions requiring amendments and waivers to be in writing;

(v) provisions purporting to make a party's determination conclusive; or

(vi) exclusive jurisdiction or venue provisions.

(b) We express no opinion with regard to (i) any state securities or Blue Sky laws, (ii) any commodities, insurance or tax laws or (iii) the Employee Retirement Income Security Act of 1974, or any comparable state laws.

(c) Except as addressed in paragraphs 5 and 8(i), we express no opinion as to any legal requirements or restrictions applicable to the Purchasers.

(d) Our opinions in paragraphs 6, 7 and 8(i) above are limited to laws and regulations normally applicable to transactions of the type contemplated by the Note Agreement and do not extend to laws or regulations relating to, or to licenses, permits, approvals and filings necessary for, the conduct of the business of the Company or any of its subsidiaries, including, without limitation, any environmental or public utilities laws or regulations.

We do not express any opinion herein on any laws other than the laws of the State of New York, the laws of the State of Florida, the DGCL and the federal law of the United States of America.

This letter is given solely for the benefit of each Purchaser as a purchaser of the Notes and for the benefit of any other person or entity to whom any such Purchaser may transfer any of the Notes. This letter may not otherwise be disclosed or be relied upon for any other purpose, or relied upon by any other person, firm or corporation for any purpose, without our prior written consent. Notwithstanding the foregoing, this letter may be (i) relied upon by your successors and by Institutional Investors who are transferees of the Notes if such transfer was consummated in accordance with the provisions of the Note Agreement, subject to the following conditions: (A) in no event shall any such successor or transferee or other assignee have any greater rights with respect hereto than the original addressees of this letter on the date hereof, (B) in furtherance and not in limitation of the foregoing, our consent to such reliance shall in no event constitute a reissuance of the opinions expressed herein or otherwise extend any statute of limitations period applicable hereto on the date hereof, and (C) any such reliance also must be reasonable under the circumstances existing at the time such successor or transferee becomes a holder of the Notes, including any circumstances relating to changes in law, facts or any other developments known to or reasonably knowable by such successor or transferee at such time, (ii) disclosed to any governmental or regulatory authority having jurisdiction over you or any such successor or transferee (including without limitation the National Association of Insurance Commissioners), any law firm or auditor acting on behalf of you or any such successor or transferee and any Institutional Investors who are prospective purchasers of the Notes, and may also be disclosed as may be required by applicable law or by order of any Governmental Authority, and (iii) included in a closing transcript for the transactions contemplated hereby. The opinions expressed in this letter are made only as of the date hereof and cannot be relied upon with respect to events which occur subsequent to the issuance of this letter. We assume no obligation to advise you of any changes in the foregoing subsequent to the delivery of this letter.

Very truly yours,

FORM OF OPINION OF DELAWARE COUNSEL FOR THE COMPANY

[PARKOWSKI, GUERKE & SWAYZE, P.A.]

[Date of Closing]
[Purchasers]

Ladies and Gentlemen:

We have acted as special Delaware counsel for Chesapeake Utilities Corporation (the **"Company"**) in connection with the Note Purchase Agreement dated as of August 1, 2025, among the Company and each of you (the "**Note Agreement"**), pursuant to which the Company will issue on the date hereof [$150,000,000 aggregate principal amount of its senior notes, consisting of (a) $60,000,000 aggregate principal amount of its 4.88% Series 2025-A Senior Notes due August 1, 2028 (the "**Series A Notes**") and (b) $90,000,000 aggregate principal amount of its 5.16% Series 2025-B Senior Notes due August 1, 2031 (the "**Series B Notes**" and, together with the Series A Notes, the **"Notes**")] [$50,000,000 aggregate principal amount of its 5.02% Series 2025-C Senior Notes due September 15, 2030 (the **"Notes"**)].[2] All terms used herein that are defined in the Note Agreement have the respective meanings specified in the Note Agreement. This letter is being delivered to each of you in satisfaction of the condition set forth in Section 4.4(b) of the Note Agreement and with the understanding that each of you is purchasing the Notes in reliance on the opinions expressed herein.

In connection herewith, we have examined such certificates of public officials, certificates of officers of the Company and copies certified to our satisfaction of corporate documents and records of the Company and of other papers, and have made such other investigations, as we have deemed relevant and necessary as a basis for our opinion hereinafter set forth. We have relied upon such certificates of public officials and of officers of the Company with respect to the accuracy of material factual matters contained therein which were not independently established. With respect to the opinions expressed in subparagraphs (a) and (b) below, we have also relied on the accuracy of and assumed, as to factual matters, the representations, warranties, statements and information of the Company contained in the Note Agreement are true and complete.

Based on the foregoing, it is our opinion that:

(a) The Company has the corporate power and authority to carry on the business as now being conducted.

(b) The execution and delivery of the Note Agreement and the Notes, the offering, issuance, and sale of the Notes and fulfillment of and compliance with the respective provisions of the Note Agreement and the Notes will not require any authorization, consent, approval, exemption, or other action by or notice to or filing with any Delaware court, Delaware administrative or Delaware governmental body (other than

[2] To be updated for the First Closing or the Second Closing, as applicable.

the State of Delaware Public Service Commission (the **"Commission"**), and routine filings after the date hereof with the SEC and/or State Blue Sky authorities) pursuant to, any Delaware applicable law (including any securities or Blue Sky law), statute, rule, or regulation of the State of Delaware.

The Commission has duly entered Order No. 10319, dated October 25, 2023, in P.S.C. Docket No. 23-1306 [and][,] Order No. 9843 dated July 14, 2021 in PSC Docket No. 21-0465 [and Order No. 10778, dated July 23, 2025 in PSC Docket No. 25-0627].[3] Said orders are final and in full force and effect, and no appeal, review, or contest thereof is pending. It is our opinion that no further action by the Commission is a requirement to execution and delivery of the Note Agreement or the Notes or the offering, issuance, or sale of the Notes or the fulfillment of compliance with the requisite provisions of the Note Agreement and the Notes.

Our opinions may not be relied upon by any person or entity other than each of you, transferees of each of you, and ArentFox Schiff LLP, your special counsel, in connection with the matters referred to herein.

Our opinions are limited to the laws of the State of Delaware.

Sincerely yours,

PARKOWSKI, GUERKE & SWAYZE, P.A.

BY: _____
James D. Nutter, Esquire

[3] To be updated for the First Closing or the Second Closing, as applicable.

FORM OF OPINION OF MARYLAND COUNSEL FOR THE COMPANY

[VENABLE LLP]

_____, 2025

The Purchasers [set forth on Schedule I hereto]

Re: Chesapeake Utilities Corporation

Ladies and Gentlemen:

We have acted as special Maryland regulatory counsel to Chesapeake Utilities Corporation, a Delaware corporation (the "Company"), in connection with certain matters of Maryland law arising out of the Note Purchase Agreement, dated as of the date hereof (the "Note Purchase Agreement"), among the Company and the Purchasers listed on Schedule B to the Note Purchase Agreement, pursuant to which the Company will issue at the Closing (as defined in the Note Purchase Agreement) [$150,000,000 aggregate principal amount of its senior notes, consisting of (a) $60,000,000 aggregate principal amount of its 4.88% Series 2025-A Senior Notes due August 1, 2028 (the "Series A Notes") and (b) $90,000,000 aggregate principal amount of its 5.16% Series 2025-B Senior Notes due August 1, 2031 (the "Series B Notes" and, together with the Series A Notes, collectively, the "Notes")] [$50,000,000 aggregate principal amount of its 5.02% Series 2025-C Senior Notes due September 15, 2030 (the "Notes")].[4] This firm did not directly participate in the negotiation or drafting of the Note Purchase Agreement. This opinion is being delivered to you with the understanding that you are purchasing the Notes in reliance on this opinion.

In connection with our representation of the Company, and as a basis for the opinion hereinafter set forth, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the following documents (hereinafter collectively referred to as the "Documents"):

1. The Certificate of Incorporation of the Company, certified by the Secretary of State of the State of Delaware;

2. The Second Amended and Restated Bylaws of the Company, certified as of the date hereof by an officer of the Company;

3. A certificate of the State Department of Assessments and Taxation of Maryland (the "SDAT") as to the good standing of the Company, dated as of a recent date (the "Good Standing Certificate");

[4] To be updated for the First Closing or the Second Closing, as applicable.

4. The Note Purchase Agreement;

5. The Notes, each dated as of the date hereof, made by the Company to the order of the Purchasers or their nominees, representing the aggregate principal amount of the Notes (collectively with the Note Purchase Agreement, the "Opinion Documents");

6. A certificate executed by an officer of the Company, dated as of the date hereof (the "Officer's Certificate"); and

7. Such other documents and matters as we have deemed necessary or appropriate to express the opinion set forth below, subject to the assumptions, limitations and qualifications stated herein.

In expressing the opinion set forth below, we have assumed the following:

1. Each individual executing any of the Opinion Documents or the Officer's Certificate, whether on behalf of such individual or another person, is legally competent to do so.

2. Each individual executing any of the Opinion Documents on behalf of a party (other than the Company) is duly authorized to do so.

3. Each of the parties (other than the Company) executing any of the Opinion Documents has duly and validly executed and delivered each of the Opinion Documents to which such party is a signatory, and such party's obligations set forth therein are legal, valid and binding and are enforceable in accordance with all stated terms.

4. All Documents submitted to us as originals are authentic. All Documents submitted to us as certified or photostatic copies conform to the original documents. All signatures on all Opinion Documents and the Officer's Certificate are genuine. All public records reviewed or relied upon by us or on our behalf are true and complete. All representations, warranties, statements and information contained in the Opinion Documents and the Officer's Certificate, as to factual matters, are true and complete. There has been no oral or written modification of or amendment to any of the Opinion Documents, and there has been no waiver of any provision of any of the Opinion Documents, by action or omission by the parties or otherwise.

Based upon the foregoing, and subject to the assumptions, limitations and qualifications stated herein, it is our opinion that:

1. Based solely on the Good Standing Certificate, the Company is qualified to transact business as a foreign entity in the State of Maryland and is in good standing with the SDAT.

2. The execution and delivery by the Company of the Note Purchase Agreement and the Notes and the performance by the Company of its obligations under the Note Purchase Agreement and the Notes do not violate any Maryland statutes, rules or regulations of any Maryland governmental authority applicable to the Company.

3. No consent, approval, authorization or order of, or filing, registration or qualification with, any Maryland court or governmental or administrative authority in the State of Maryland having jurisdiction over the Company is required in connection with the execution, delivery or performance of the Note Purchase Agreement by the Company and the consummation by the Company of the transactions contemplated thereby, including the issuance of the Notes, except such as have been obtained prior to the date hereof.

The foregoing opinion is limited to the substantive laws of the State of Maryland and we do not express any opinion herein concerning any federal or other state law. We express no opinion as to the applicability or effect of federal securities laws or the securities laws of any state other than the State of Maryland, or as to federal or state laws regarding fraudulent transfers or the laws, codes or regulations of any municipality or other local jurisdiction. We note that the Note Purchase Agreement provides that it shall be governed by the laws of a state other than the State of Maryland. To the extent that any matter as to which our opinion is expressed herein would be governed by the laws of any jurisdiction other than the State of Maryland, we do not express any opinion on such matter. Our opinion expressed in paragraph 2 above is based upon our consideration of only those Maryland statutes, rules and regulations of Maryland governmental authorities, if any, which, in our experience, are normally applicable to transactions of the type referred to in such paragraph and generally to business organizations of the same type as the Company (e.g., public utilities). Our opinion expressed in paragraph 3 above is based upon our consideration of only those consents, approvals, authorizations, orders of, or filings, registrations or qualifications with, any Maryland court or governmental authority of the State of Maryland, if any, which, in our experience, are normally applicable to transactions of the type referred to in such paragraph and generally to business organizations of the same type as the Company (e.g. public utilities). The opinion expressed herein is subject to the effect of any judicial decision which may permit the introduction of parol evidence to modify the terms or the interpretation of agreements.

The opinion expressed herein is limited to the matters specifically set forth herein and no other opinion shall be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable law changes after the date hereof or if we become aware of any fact that might change the opinion expressed herein after the date hereof.

This opinion is being furnished to you solely for your benefit. Accordingly, subject to the following sentences, this opinion may not be relied upon by, quoted in any manner to, or delivered to any other person or entity (other than your transferees, your successors, and ArentFox Schiff LLP, your special counsel in connection with the matters referred to herein (collectively, the "Future Recipients"), and such Future Recipients may rely on this opinion as if it were addressed to them and had been delivered to them on the date

hereof; provided, however, that any such reliance by a Future Recipient must be reasonable under the circumstances existing at the time, including any changes in law or facts or any other developments known to or reasonably knowable by such Future Recipient at such time) without, in each instance, our prior written consent. This opinion may be delivered to (but may not be relied upon by) your auditors and governmental and regulatory authorities having jurisdiction over you, including the National Association of Insurance Commissioners and as required by law or in connection with any court order.

Very truly yours,

SCHEDULE I

[INSERT NAME OF EACH PURCHASER]

FORM OF OPINION OF FLORIDA COUNSEL FOR THE COMPANY

[GUNSTER, YOAKLEY & STEWART, P.A.]

[Date of Closing]
[Purchasers]

Re: [$60,000,000 4.88% Series 2025-A Senior Notes due August 1, 2028 of Chesapeake Utilities Corporation and $90,000,000 5.16% Series 2025-B Senior Notes due August 1, 2031 of Chesapeake Utilities Corporation][$50,000,000 5.02% Series 2025-C Senior Notes due September 15, 2030 of Chesapeake Utilities Corporation] [5]

Ladies and Gentlemen:

We have acted as special Florida counsel to Chesapeake Utilities Corporation, a Delaware Corporation (the "Company"), in connection with the Note Purchase Agreement, dated as of August 1, 2025, among the Company and each of you (the "Note Agreement"), pursuant to which the Company will issue on the date hereof [$150,000,000 aggregate principal amount of its senior notes, consisting of (a) $60,000,000 aggregate principal amount of its 4.88% Series 2025-A Senior Notes due August 1, 2028 (the "Series A Notes") and (b) $90,000,000 aggregate principal amount of its 5.16% Series 2025-B Senior Notes due August 1, 2031 (the "Series B Notes" and, together with the Series A Notes, the "Notes")] [$50,000,000 aggregate principal amount of its 5.02% Series 2025-C Senior Notes due September 15, 2030 (the "Notes")].[6] This letter is furnished to the addressees hereof (collectively, the "Purchasers") pursuant to Section 4.4(d) of the Note Agreement at the request of the Company. Capitalized terms used in this letter but not otherwise defined shall have the respective meanings set forth in the Note Agreement.

Members of our firm involved in the preparation of this letter are licensed to practice law in the State of Florida, and we express no opinion with respect to the effect of any law other than the laws of the State of Florida.

Documents Reviewed

In rendering the opinions set forth below, we have reviewed, among other things, originals or copies of documents which have been represented to us as true copies of the following documents, dated on or as of the date hereof unless otherwise stated:

(i) the Note Agreement; and

[5] To be updated for the First Closing or the Second Closing, as applicable.
[6] To be updated for the First Closing or the Second Closing, as applicable.

(ii) the Notes identified in Schedule 1 attached hereto (collectively, the "Covered Notes" and each, a "Covered Note").

We express no opinion on any other document not specifically described above. The documents described in Paragraphs (i) and (ii) above are collectively referred to herein as the "Opinion Documents."

In addition, we have reviewed and, with your permission, relied upon the following statements, documents and certificates of public authorities and third party service providers (collectively, the "Corporate Documents"):

(a) the Certificate of Status of the Company issued by the Department of State of the State of Florida, dated [_____ __], 2025 (the "Certificate of Status"); and

(b) Order No. PSC-2025-0032-FOF-GU issued January 27, 2025, in Docket No. 20240154-GU (the "FPSC Order") entered by the Public Service Commission of the State of Florida (the "FPSC").

In rendering the opinions set forth herein, we have relied, with your approval, as to factual matters that affect the opinions, solely on our examination of the Opinion Documents, the Corporate Documents and the Officer's Opinion Certificate of the Company, dated the date hereof, delivered to this firm and attached hereto as Exhibit A (the "Officer's Opinion Certificate") and the statements, representations and warranties contained in the Opinion Documents, the Corporate Documents and the Officer's Opinion Certificate, and have made no independent verification or investigation of or inquiry regarding the facts contained or asserted to be true or correct in any of the Opinion Documents, the Corporate Documents or the Officer's Opinion Certificate (including the statements, representations and warranties contained in any of the Opinion Documents, the Corporate Documents or the Officer's Opinion Certificate).

As Florida counsel to the Company, our engagement has been limited to the representation of the Company in connection with such matters and transactions that have been requested by the Company, including but not limited to the opinions set forth below in this letter. Accordingly, there may exist matters of a legal or factual nature involving the Company in connection with which we have not been consulted and which could affect the opinions rendered herein.

Assumptions

In our examination of the Opinion Documents and in rendering the opinions set forth herein, in addition to those assumptions, qualifications, limitations and exceptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding) the following:

A. that the Opinion Documents have been executed and delivered by individuals who are legally competent to do so and who did not violate any fiduciary or other duties owed by them;

B. that all representations and warranties and other statements and assertions of fact referred to in the Opinion Documents, the Corporate Documents, the Officer's Opinion Certificate and all other documents reviewed are true as to the factual matters set forth therein;

C. the validity, binding effect and enforceability as to each party of each Opinion Document;

D. the FPSC Order will be enforced as written;

E. the legal capacity of each natural person to take all actions required of each such person;

F. the genuineness of all signatures;

G. there have been no undisclosed modifications of any provision of any document reviewed by us in connection with the rendering of this opinion letter;

H. there are no agreements or understandings among the parties, written or oral, and there is no usage of trade or course of prior dealing among the parties that would, in either case, define, supplement, modify or qualify the terms of the Opinion Documents or the rights of the parties thereunder; and

I. the payment of all required documentary stamp taxes, intangible taxes and other taxes and fees imposed upon the execution, filing or recording of documents.

Opinions

Based upon and subject to the assumptions, qualifications, limitations and restrictions set forth in this letter, as of the date hereof, we are of the opinion that:

1. The Company is authorized to transact business as a foreign corporation in the State of Florida, and its corporate status in Florida is active.

2. Except for the FPSC Order, no consent, license, approval, authorization, exemption or other action by or notice to or filing with any court, administrative or governmental agency or authority of the State of Florida under the public utilities laws of the State of Florida or the rules and regulations thereunder is required on the part of the Company in connection with the execution and delivery by the Company or the performance by the Company of any of its obligations under the Note Agreement or the Covered Notes.

3. The FPSC Order is final and in full force and effect; no appeal, review or contest of the FPSC Order is pending; the time for appeal or to seek review or reconsideration of the FPSC Order has expired and no further action by the FPSC is a requirement to (i) the execution and delivery by the Company of the Note Agreement, (ii) the issuance and sale of the Covered Notes, or (iii) the Company's fulfillment of or compliance with the requisite provisions the Covered Notes or the Note Agreement.

Nothing contained in this letter shall be deemed to be an opinion other than those set forth in numbered Paragraphs 1, 2 and 3 which immediately precede this paragraph.

Qualifications and Limitations

The opinions expressed herein are subject in all respects to the following additional assumptions, qualifications, limitations and exclusions:

I. We express no opinion as to the effect on the foregoing opinions of any law or regulation applicable to the Purchasers or the transactions contemplated by the Opinion Documents, as a consequence of the involvement of the Purchasers or because of any of the Purchaser's legal or regulatory status or any other facts specifically pertaining to any of the Purchasers.

II. We express no opinion with respect to the statutes, ordinances, administrative decisions, rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the federal, state or regional level) to the extent that they deal with any of the opinions set forth in this letter, other than the public utilities laws of the State of Florida and the rules and regulations thereunder (as and to the extent of the opinions set forth in numbered Paragraphs 2 and 3 above).

III. We express no opinion with respect to any Federal laws, rules or regulations, or the effect of such laws, rules or regulations.

IV. In addition, we express no opinion as to any tax, employment, environmental, energy (other than the public utilities laws of the State of Florida and the rules and regulations thereunder, as and to the extent of the opinions set forth in numbered Paragraphs 2 and 3 above), healthcare, intellectual property, land use, banking, antitrust, civil rights, labor, employment, employee benefit or pension, probate, real estate, unfair competition, privacy, margin, insolvency, fraudulent transfer, anti-terrorism, money laundering, racketeering, criminal or civil forfeiture, foreign corrupt practices act, foreign investment, acquisition, asset or trading control (including, without limitation, laws relating to the Committee on Foreign Investment in the United States), currency or exchange control, investment company or securities matters under Federal, state or local laws, regulations or judicial or administrative decisions. Without limiting the generality of the foregoing, we express no opinion as to any Federal securities laws and regulations administered by the Securities and Exchange Commission, state securities or "Blue Sky" laws and regulations (including, without limitation, the antifraud provisions thereof), foreign securities laws and regulations, and any other similar laws or regulations.

V. In rendering the opinions set forth in Paragraph 1 above, we have relied solely upon the Certificate of Status.

VI. Other than the public utilities laws of the State of Florida and the rules and regulations thereunder (as and to the extent of our opinions set forth in numbered Paragraphs 2 and 3 above), we do not express any opinion with respect to any law, rule or regulation that is applicable to the Company, the Opinion Documents or any of the transactions contemplated thereby solely because such law, rule or regulation is part of a legal or regulatory regime applicable to the Company due to the specific assets, business or activities of the Company.

This letter is furnished solely in connection with matters relating to the Opinion Documents and may not be used or relied upon by any person other than the addressees hereof without our prior written consent, provided, however, that this letter may be furnished to and relied upon by any future successor and future assignee of your Covered Note pursuant to an assignment that is permitted and made in accordance with the terms of your Covered Note and the Note Agreement, on the condition and with the understanding that (a) this letter does not extend to any issue or matter related to any such assignment or arising from or out of any such assignment (as distinct from the subject transaction), (b) this letter is limited and qualified with respect to a successor or an assignee in the same manner that it is limited and qualified as set forth above with respect to the original addressee, and (c) any reliance by a successor or an assignee must be reasonable under the circumstances existing at the time of such reliance, including any changes in law, facts or any other developments known to or reasonably knowable by such party at such time (it being acknowledged, as indicated below, that the opinions expressed in this letter are rendered as of the date hereof and we express no opinion as to circumstances or events that may occur subsequent to such date). Our opinions herein shall not be quoted or otherwise included, summarized or referred to in any publication or document, in whole or in part, for any purpose whatsoever, or furnished to any person other than the addressees hereof without our prior written consent; provided, however, that this letter may be furnished to (i) your counsel, (ii) your auditors, but only in accordance with and subject to the confidentiality standards of Section 20 of the Note Agreement, (iii) your successors and your actual or prospective assignees and participants and their respective counsel, (iv) any person pursuant to orders or legal process of any court or governmental agency with jurisdiction over any of you (v) governmental and regulatory authorities exercising jurisdiction over any of you (which shall be deemed to include the National Association of Insurance Commissioners); provided, further, that (x) any such disclosure of our opinions shall be accurate; (y) no such person shall be entitled to rely upon this letter other than as permitted by this paragraph; and (z) no such person shall further circulate or furnish our opinions herein to any other person without our prior written consent.

The opinions expressed in this letter are rendered as of the date hereof and we express no opinion as to circumstances or events that may occur subsequent to such date. In addition, we specifically disclaim any undertaking or obligation to advise you of changes that hereafter may be brought to our attention. Furthermore, the opinions provided herein are provided as legal opinions only and not as a guarantee or warranty of the matters discussed herein.

Very truly yours,

Gunster, Yoakley & Stewart, P.A.

215 South Monroe St., Suite 601

Tallahassee, FL 32301

(850) 521-1706

SCHEDULE 1

COVERED NOTES

FORM OF OPINION OF SPECIAL COUNSEL
TO THE PURCHASERS

The closing opinion of ArentFox Schiff LLP, special counsel to the Purchasers, called for by Section 4.4(e) of the Agreement, shall be dated the date of the applicable Closing and addressed to the Purchasers, shall be satisfactory in form and substance to the Purchasers and shall be to the effect that:

1. The Company is a corporation validly existing and in good standing under the laws of the State of Delaware.

2. The Agreement and the Notes being delivered on the date hereof constitute the legal, valid and binding contracts of the Company, enforceable against the Company in accordance with its terms.

3. The issuance, sale and delivery of the Notes being delivered on the date hereof under the circumstances contemplated by this Agreement do not, under existing law, require the registration of such Notes under the Securities Act or the qualification of an indenture under the Trust Indenture Act of 1939.

The opinion of ArentFox Schiff LLP shall also state that the opinions of Baker & Hostetler LLP, Parkowski, Guerke & Swayze, P.A. Venable LLP and Gunster, Yoakley & Stewart, P.A. are satisfactory in scope and form to ArentFox Schiff LLP and that, in their opinion, the Purchasers are justified in relying thereon.

In rendering the opinion set forth in paragraph 1 above, ArentFox Schiff LLP may rely, as to matters referred to in paragraph 1, solely upon an examination of Amended and Restated Articles of Incorporation certified by, and a certificate of good standing of the Company from, the Secretary of State of the State of Delaware. The opinion of ArentFox Schiff LLP is limited to the laws of the State of New York and the federal laws of the United States.

With respect to matters of fact upon which such opinion is based, ArentFox Schiff LLP may rely on appropriate certificates of public officials and officers of the Company and upon representations of the Company and the Purchasers delivered in connection with the issuance and sale of the Notes.

DISCLOSURE DOCUMENTS

None.

SUBSIDIARIES OF THE COMPANY AND OWNERSHIP OF SUBSIDIARY STOCK

Name	Jurisdiction of Organization	Owner	Ownership Percentage
Eastern Shore Natural Gas Company	Delaware	Chesapeake Utilities Corporation	100%
Sharp Energy, Inc.	Delaware	Chesapeake Utilities Corporation	100%
Sharpgas, Inc.	Delaware	Sharp Energy, Inc.	100%
Peninsula Energy Services Company, Inc.	Delaware	Chesapeake Utilities Corporation	100%
Peninsula Pipeline Company, Inc.	Delaware	Chesapeake Utilities Corporation	100%
Florida Public Utilities Company	Florida	Chesapeake Utilities Corporation	100%
FPU Renewables, LLC	Delaware	Florida Public Utilities Company	100%
Flo-Gas Corporation	Florida	Florida Public Utilities Company	100%
Chesapeake Service Company	Delaware	Chesapeake Utilities Corporation	100%
Skipjack, Inc.	Delaware	Chesapeake Service Company	100%
Chesapeake Investment Company	Delaware	Chesapeake Service Company	100%
Eastern Shore Real Estate, Inc.	Delaware	Chesapeake Service Company	100%
Chesapeake OnSight Services, LLC	Delaware	Chesapeake Utilities Corporation	100%
Sandpiper Energy, Inc.	Delaware	Chesapeake Utilities Corporation	100%
Eight Flags Energy, LLC	Delaware	Chesapeake OnSight Services, LLC	100%
Aspire Energy Express, LLC	Delaware	Chesapeake Utilities Corporation	100%
Marlin Gas Services, LLC	Delaware	Chesapeake Utilities Corporation	100%
Aspire Energy of Ohio, LLC	Delaware	Chesapeake Utilities Corporation	100%
OnSight Renewables, LLC	Delaware	Chesapeake Utilities Corporation	100%
Amelia Island Energy, LLC	Delaware	Chesapeake OnSight Services, LLC	100%
Amelia Renewables, LLC	Delaware	OnSight Renewables, LLC	100%

SCHEDULE 5.4
(to Note Purchase Agreement)

Blue Peake LNG, LLC	Delaware	OnSight Renewables, LLC	100%
Marlin Compression, LLC	Delaware	OnSight Renewables, LLC	100%
CUC Shared Services, Inc.	Delaware	Chesapeake Utilities Corporation	100%
Chesapeake Emergency Energy Recipient Program, Inc.	Delaware	Chesapeake Utilities Corporation	100%
Planet Found Energy Development, LLC	Maryland	Eastern Shore Natural Gas Company	100%
Pivotal Utility Holdings, Inc.	New Jersey	Chesapeake Utilities Corporation	100%
Chesapeake Utilities of Maryland, Inc.	Maryland	Chesapeake Utilities Corporation	100%

FINANCIAL STATEMENTS

Chesapeake Utilities Corporation Form 10-Q for the three-month period ended March 31, 2025.

Chesapeake Utilities Corporation Form 10-K for the fiscal years ended December 31, 2022, December 31, 2023 and December 31, 2024.

Chesapeake Utilities Corporation Form 8-K filed February 13, 2024.

EXISTING INDEBTEDNESS

The existing principal amount of Indebtedness of the Company and its Subsidiaries as of March 31, 2025 is as follows:

Agreement	Current Outstanding Principal as of March 31, 2025
Note Agreement, dated June 29, 2010, as amended by First Amendment June 20, 2011:	
i. 5.68% Series A, Senior Unsecured Notes, due June 30, 2026.	i. $5,800,000
ii. 6.43% Series B, Senior Unsecured Notes, due May 2, 2028.	ii. $2,800,000
Note Purchase Agreement, dated September 5, 2013:	
i. 3.73% Series A, Senior Unsecured Notes, due December 16, 2028.	i. $8,000,000
ii. 3.88% Series B, Senior Unsecured Notes, due May 15, 2029.	ii. $25,000,000
Private Shelf Facility, dated October 8, 2015 (as amended, restated, extended, supplemented or otherwise modified from time to time), by and between Chesapeake Utilities Corporation and PGIM, Inc. (formerly known as Prudential Investment Management, Inc.):	
i. 3.25% Senior Unsecured Notes, due April 30, 2032.	i. $50,750,000
ii. 3.98% Senior Unsecured Notes, Series B, due August 20, 2039.	ii. $100,000,000
iii. 3.00% Senior Unsecured Notes, Series C, due July 15, 2035.	iii. $50,000,000
iv. 5.43% Senior Unsecured Notes, Series D, due March 14, 2038	iv. $80,000,000
Master Note Agreement, dated March 2, 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time), by and between Chesapeake Utilities Corporation and NYL Investors LLC:	

Agreement	Current Outstanding Principal as of March 31, 2025
i. 3.48% Senior Unsecured Notes due May 31, 2038. ii. 3.58% Senior Unsecured Notes due November 30, 2038. iii. 2.96% Senior Unsecured Notes due August 15, 2035.	i. $50,000,000 ii. $50,000,000 iii. $40,000,000
Note Purchase Agreement, dated November 19, 2019, by and among Chesapeake Utilities Corporation, The Guardian Life Insurance Company of America and the other purchasers party thereto regarding 2.98% Senior Unsecured Notes, due December 20, 2034.	$70,000,000
Private Shelf Agreement, dated March 2, 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time), by and among Chesapeake Utilities Corporation, Metropolitan Life Insurance Company and MetLife Investment Advisors, LLC (now known as MetLife Investment Management, LLC). i. 2.95% Senior Unsecured Notes due March 15, 2042.	i. $50,000,000
Second Amended and Restated Credit Agreement, dated August 6, 2024 (as amended, restated, extended, supplemented or otherwise modified from time to time), by and among Chesapeake Utilities Corporation, a Delaware corporation, PNC Bank, National Association, as administrative agent, swing loan lender and issuing lender, and the other lenders party thereto, providing for (i) a $200,000,000 5-year revolving facility expiring on August 6, 2029, and (ii) a $250,000,000 364-day revolving facility expiring on August 5, 2025.	$215,404,956
Equipment Security Note dated September 29, 2021, by and among Chesapeake Utilities Corporation and Banc of America Leasing & Capital, LLC regarding 2.46% Equipment Security Note, due September 29, 2031.	$6,498,478
Note Purchase Agreement, dated August 25, 2021, by and among Chesapeake Utilities Corporation, MetLife Insurance K.K. and the other purchase party thereto regarding 2.49% Senior Unsecured Notes, due January 25, 2037.	$50,000,000

Agreement	Current Outstanding Principal as of March 31, 2025
Note Purchase Agreement, dated November 20, 2023: i. 6.39% Series 2023-A Senior Notes due December 28, 2026 ii. 6.44% Series 2023-B Senior Notes due December 28, 2027 iii. 6.45% Series 2023-C Senior Notes due December 28, 2028 iv. 6.62% Series 2023-D Senior Notes due December 28, 2030 v. 6.71% Series 2023-E Senior Notes due December 28, 2033 vi. 6.73% Series 2023-F Senior Notes due December 28, 2038	i. $100,000,000 ii. $100,000,000 iii. $100,000,000 iv. $100,000,000 v. $100,000,000 vi. $50,000,000
Note Purchase Agreement, dated November 1, 2024: i. 5.20% Series 2024-A Senior Notes due November 1, 2029	i. 100,000,000

EXISTING LIENS

None.

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

Reference is hereby made to the Note Purchase Agreement dated as of August 1, 2025 (as amended, supplemented or otherwise modified from time to time, the *"Note Purchase Agreement"*), originally by and among CHESAPEAKE UTILITIES CORPORATION, a Delaware corporation, and the Purchasers listed in Schedule B thereto.

Unless otherwise defined herein, capitalized terms defined in the Note Purchase Agreement and used herein have the meanings given to them in the Note Purchase Agreement.

Pursuant to the provisions of Section 14.4 of the Note Purchase Agreement, the undersigned hereby certifies that:

(i) it is the sole record and beneficial owner of the Notes in respect of which it is providing this certificate;

(ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code;

(iii) it is not a 10% shareholder of the Company within the meaning of Section 871(h)(3)(B) of the Code; and

(iv) it is not a controlled foreign corporation related to the Company as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Company with a certificate of its non-U.S. Person status on Internal Revenue Service Form W-8BEN-E.

_____

By:_____
Name:
Title:

Date: _____ __, 20__

INFORMATION RELATING TO PURCHASERS

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
LEGAL AND GENERAL ASSURANCE SOCIETY LIMITED	First Closing	Series 2025-A	$13,000,000
	First Closing	Series 2025-B	$4,700,000
c/o Legal & General Investment Management America, Inc. 71 South Wacker Drive, Suite 800 Chicago, Il 60606	Second Closing	Series 2025-C	$12,600,000

(1) All payments of principal and interest by wire transfer of immediately available funds to:

Fedwire:	
Bank Name:	CITIBANK NA
ABA Number:	021000089
FFC Bank:	CITIBANK NA, LONDON (BIC CITIGB2L)
FFC Account Number:	18694028
FFC Account Name:	LGAS UNIT PY MA US PC DISC (1978)
Ref:	[Series 2025-A PPN: 165303 M*6;] [Series 2025-B PPN: 165303 M@4;] [Series 2025-C PPN: 165303 M#2;] Principal/Interest/Other

Swift:	
USD Correspondent Bank:	CITIBANK N.A., NEW YORK
BIC Code:	CITIUS33
ABA Number:	021000089
Beneficiary Bank:	CITIBANK NA, LONDON
Secondary BIC:	CITIGB2L
Beneficiary Account Name:	LGAS UNIT PY MA US PC DISC (1978)
Beneficiary Account Number:	18694028
Ref:	[Series 2025-A PPN: 165303 M*6] [Series 2025-B PPN: 165303 M@4] [Series 2025-C PPN: 165303 M#2] Principal/Interest/Other

(2) Address for notices of payments and written confirmations of such wire transfers:

Legal and General Investment Management America, Inc.
71 South Wacker Drive, Suite 800
Chicago, IL 60606
Attn: Investment Operations
Email: LGIMAPCOperations@lgima.com and LGIMPrivateCreditIGUS@lgim.com

(3) Email address for electronic delivery:

LGIMPrivateCreditIGUS@lgim.com

(4) Address for all other communications:

Legal and General Investment Management America, Inc.
71 South Wacker Drive, Suite 800
Chicago, IL 60606
Attn: Private Credit Team
Tel: (312) 964-3059 / (312) 585-0385
Email: LGIMPrivateCreditIGUS@lgim.com

(5) Address for physical delivery of the Notes:

Citibank NA
399 Park Avenue
Level "C"
New York, NY 10022
Attn: Keith Whyte (212) 559-1207
Reference Account Number: 239165

Copy to Andrew Tinari (andrew.tinari@lgima.com)

(6) Nominee: None

(7) U.S. Tax Identification Number: 98-0069969

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST c/o Legal & General Investment Management America, Inc. 71 South Wacker Drive, Suite 800 Chicago, Il 60606	First Closing Second Closing	Series 2025-B Series 2025-C	$1,300,000 $3,400,000

(1) All payments of principal and interest by wire transfer of immediately available funds to:

Bank Name:	JPMorgan Chase Bank, N.A.
ABA Number:	021000021
A/C Number:	9009000127
FFC Account Name:	BOEING - LGIMA PRIVATE CREDIT
FFC Account Number:	G 48796
Ref:	[Series 2025-B PPN: 165303 M@4] [Series 2025-C PPN: 165303 M#2] Principal/Interest/Other

(2) Address for notices of payments and written confirmations of such wire transfers:

Legal and General Investment Management America, Inc.
71 South Wacker Drive, Suite 800
Chicago, IL 60606
Attn: Investment Operations
Email: LGIMAPCOperations@lgima.com and LGIMPrivateCreditIGUS@lgim.com

(3) Email address for electronic delivery:

LGIMPrivateCreditIGUS@lgim.com

(4) Address for all other communications:

Legal and General Investment Management America, Inc.
71 South Wacker Drive, Suite 800
Chicago, IL 60606
Attn: Private Credit Team
Tel: (312) 964-3059 / (312) 585-0385
Email: LGIMPrivateCreditIGUS@lgim.com

(5) Address for physical delivery of the Notes:

JPMorgan Chase Bank, N.A.
780 Delta Drive
Mail Code: CIB Inbound LA4-0099
Monroe, LA 71203
Attn: Physical Receive Department
Ref: FFC Account #: G 48796
Copy to Andrew Tinari (andrew.tinari@lgima.com)

(6) Nominee: None

(7) U.S. Tax Identification Number: 13-6058820

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
SYMETRA LIFE INSURANCE COMPANY	First Closing	Series 2025-A	$11,000,000
777 108th Avenue NE, Suite 1200	First Closing	Series 2025-B	$9,000,000
Bellevue, WA 98004-5135	Second Closing	Series 2025-C	$11,000,000

(1) All payments on or in respect of the Notes shall be made by wire transfer of immediately available funds to:

Bank Name:	JPMorgan Chase Bank
Bank Location:	New York
SWIFT BIC:	CHASUS33
ABA Number:	021000021
Account Number:	9009000200
FFC Account Number:	G 46205
FFC Account Name:	Symetra Life Insurance Company

Each such wire transfer shall make reference to [Chesapeake Utilities Corporation; 4.88% Series 2025-A Senior Notes due August 1, 2028; PPN: 165303 M*6] [Chesapeake Utilities Corporation; 5.16% Series 2025-B Senior Notes due August 1, 2031; PPN: 165303 M@4] [Chesapeake Utilities Corporation; 5.02% Series 2025-C Senior Notes due September 15, 2030; PPN: 165303 M#2] with sufficient information (including Issuer, the Private Placement Number, interest rate, maturity, and whether payment is of principal, interest or otherwise) to identify the source and application of such funds.

For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices of payments and written confirmations of such wire transfers delivered to:

Preferred remittance:
Email: privateplacement@symetra.com and
InvestmentOperationsMailbox@symetra.com

Any such notices required to be sent by hard-copy delivered to:

Symetra Investment Management Company
308 Farmington Avenue, 3rd Floor
Farmington, CT 06032
Attn: Nate Zaientz

(3) Address for all other notices and communications delivered to:

Symetra Investment Management Company
308 Farmington Avenue, 3rd Floor
Farmington, CT 06032
Attn: Senior Managing Director, Private Placements
Email: privateplacement@symetra.com, SIMlaw@symetra.com and
Yvonne.Guajardo@symetra.com

(4) Address for physical delivery of the Notes:

JPMorgan Chase Bank, N.A.
780 Delta Drive
Mail Code: CIB Inbound LA4-0099
Monroe, LA 71203
Reference Account: G 46205

Copy to InvestmentOperationsMailbox@symetra.com

(5) Nominee: None

(6) U.S. Tax Identification Number: 91-0742147

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY 720 East Wisconsin Avenue Milwaukee, WI 53202	First Closing	Series 2025-B	$29,000,000

(1) All payments on account of the Note held by such Purchaser shall be made by wire transfer of immediately available funds, providing sufficient information to identify the source of the transfer, the amount of the dividend and/or redemption (as applicable) and the identity of the security as to which payment is being made.

US Bank, NA
777 East Wisconsin Avenue
Milwaukee, WI 53202
ABA: 075 000 022
Account Number: ********4583
Account Name: **********(Contact Purchaser to obtain)

To obtain full acct name and number, contact our Treasury & Investment Operations Department, Email: payments@northwesternmutual.com.

(2) Address for all notices with respect to confirmation of payments on account of the Note:

The Northwestern Mutual Life Insurance Company
720 East Wisconsin Avenue
Milwaukee, WI 53202
Attn: Investment Operations
Email: payments@northwesternmutual.com
Phone: (414) 665-1679

(3) Address for all other communications:

The Northwestern Mutual Life Insurance Company
720 East Wisconsin Avenue
Milwaukee, WI 53202
Attn: Securities Department
Email: privateinvest@northwesternmutual.com;
danielketelsleger@northwesternmutual.com

(4) Address for notices posted to Intralinks or another document repository/hosted website:

Email: preautodownload@northwesternmutual.com

(5) Address for physical delivery of the Note:

The Northwestern Mutual Life Insurance Company
720 East Wisconsin Avenue
Milwaukee, WI 53202
Attn: Sarah Stanton

Copy to Sarah Stanton (sarahstanton@northwesternmutual.com)

(6) Nominee: None

(7) U.S. Tax Identification Number: 39-0509570

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
STATE FARM FIRE AND CASUALTY COMPANY One State Farm Plaza Bloomington, IL 61710	First Closing Second Closing	Series 2025-B Series 2025-C	$9,000,000 $6,000,000

(1) All payments on account of the Notes held by such Purchaser shall be made by wire transfer of immediately available funds, providing sufficient information to identify the source of the transfer, including issuer, CUSIP number, interest rate, maturity date, and whether payment is interest, principal, or premium.

Bank Name:	JPMorgan Chase Bank
ABA Number:	021000021
Account Number:	9009000200
Account Name:	State Farm Fire and Casualty Company
Ref:	[Series 2025-B PPN: 165303 M@4, 4.88% Series 2025-A Senior Notes due August 1, 2028] [Series 2025-C PPN: 165303 M#2, 5.16% Series 2025-B Senior Notes due August 1, 2031] Par, Custody Account #G06894

Email: privateplacements@statefarm.com
Telephone: (309) 766-2386

(2) Address for notices, financial statements, officer's certificates and other correspondence:

State Farm at CityLine, Building 4
Attn: Investment Department, Floor 9
1415 State Street, Suite 1000
Richardson, TX 75082-2147
Email: privateplacements@statefarm.com

(3) Address for notice of confirms:

State Farm Fire and Casualty Company
Investment Accounting Dept. D-2
One State Farm Plaza
Bloomington, IL 61710
Email: home.acct-stocks-bonds.607j00@statefarm.com

(4) Address for physical delivery of the Notes:

JPMorgan Chase Bank NA
780 Delta Drive
Mail Code: CIB Inbound LA4-0099
Monroe, LA 71203
Account: G06894

Copy to Lori Di Pierdomenico (lori.dipierdomenico.vaevbs@statefarm.com)

(5) Nominee: None

(6) U.S. Tax Identification Number: 37-0533080

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY One State Farm Plaza Bloomington, IL 61710	First Closing Second Closing	Series 2025-B Series 2025-C	$9,000,000 $5,000,000

(1) All payments on account of the Notes held by such Purchaser shall be made by wire transfer of immediately available funds, providing sufficient information to identify the source of the transfer, including issuer, CUSIP number, interest rate, maturity date, and whether payment is interest, principal, or premium.

Bank Name: JPMorgan Chase Bank
ABA Number: 021000021
Account Number: 9009000200
Account Name: State Farm Mutual Automobile Insurance Company
Ref: [Series 2025-B PPN: 165303 M@4, 4.88% Series 2025-A Senior Notes due August 1, 2028]
[Series 2025-C PPN: 165303 M#2, 5.16% Series 2025-B Senior Notes due August 1, 2031]
Par, Custody Account #G06892

Email: privateplacements@statefarm.com
Telephone: (309) 766-2386

(2) Address for notices, financial statements, officer's certificates and other correspondence:

State Farm at CityLine, Building 4
Attn: Investment Department, Floor 9
1415 State Street, Suite 1000
Richardson, TX 75082-2147
Email: privateplacements@statefarm.com

(3) Address for notice of confirms:

State Farm Mutual Automobile Insurance Company
Investment Accounting Dept. D-2
One State Farm Plaza
Bloomington, IL 61710
Email: home.acct-stocks-bonds.607j00@statefarm.com

(4) Address for physical delivery of the Notes:

JPMorgan Chase Bank NA
780 Delta Drive
Mail Code: CIB Inbound LA4-0099
Monroe, LA 71203
Account: G06892

Copy to Lori Di Pierdomenico (lori.dipierdomenico.vaevbs@statefarm.com)

(5) Nominee: None

(6) U.S. Tax Identification Number: 37-0533100

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
BERKLEY INSURANCE COMPANY 475 Steamboat Road Greenwich, CT 06830	First Closing	Series 2025-B	$15,000,000.00

All payments on account of the Note shall be made by wire transfer of immediately available funds pursuant to instructions to be delivered to the Company by ArentFox Schiff LLP prior to the Closing. If there are any questions regarding the payment instructions, please contact ops@wrberkley.com [Wire instructions provided separately]

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
BRIGHTHOUSE LIFE INSURANCE COMPANY 11225 North community House Road Charlotte, NC 28277	First Closing	Series 2025-A	$15,000,000

(1) All scheduled payments of principal and interest by wire transfer of immediately available funds to:

Bank Name:	JPMorgan Chase Bank, N.A.
ABA Number:	021000021
Account Number:	9009000127
Account Name:	Brighthouse Life Insurance Company
FFC Account Number:	G 60183
FFC Account Name:	B48R_PP
Ref:	Series 2025-A PPN: 165303 M*6- CHESAPEAKE UTILITIES CORPORATION- 4.880% Due 01-AUG-2028

with sufficient information to identify the source and application of such funds, including issuer, PPN#, interest rate, maturity and whether payment is of principal, interest, make whole amount or otherwise. For all payments other than scheduled payments of principal and interest, the Company shall seek instructions from the holder, and in the absence of instructions to the contrary, will make such payments to the account and in the manner set forth above.

(2) Address for all notices and communications:

Brighthouse Life Insurance Company
c/o MetLife Investment Management, LLC, Investments - Private Placements
One MetLife Way
Whippany, New Jersey 07981
Attn: Shaun Oliver
Email: PPUCompliance@metlife.com and soliver@metlife.com

with another copy OTHER than with respect to deliveries of financial statements to:

Brighthouse Life Insurance Company
c/o MetLife Investment Management, LLC, Investments Law
One MetLife Way
Whippany, NJ 07981
Attn: Chief Counsel-Investments Law (PRIV)
Email: sec_invest_law@metlife.com

(4) Address for physical delivery of the Note:

JPMorgan Chase Bank N.A.
780 Delta Drive
Mail Code: CIB Inbound LA4-0099
Monroe, LA 71203
Ref: G 60183

Copy to Ariel Brown (ariel.brown@metlife.com) and BHF_Support@metlife.com

(5) Nominee: None

(6) U.S. Tax Identification Number: 06-0566090

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
EQUITABLE FINANCIAL LIFE INSURANCE COMPANY c/o AllianceBernstein LP 1345 Avenue of the Americas New York, NY 10105	First Closing Second Closing	Series 2025-A Series 2025-C	$6,000,000 $3,000,000

(1) All payments shall be made by wire transfer of immediately available funds to:

Bank Name:	JPMorgan Chase
Account:	Equitable Financial Life Insurance Company
ABA Number:	021-000021
Bank Account:	0550363094
Custody Account:	G22705
Ref:	[Chesapeake Utilities Corporation; 4.88% Series 2025-A Senior Notes due August 1, 2028; PPN: 165303 M*6] [Chesapeake Utilities Corporation; 5.02% Series 2025-C Senior Notes due September 15, 2030; PPN: 165303 M#2]

Each such wire shall show the name of the Company, the Private Placement Number, the due date of the payment being made and, if such payment is a final payment

(2) Address for notices of payments and written confirmations of wire transfers:

Equitable Financial Life Insurance Company
c/o AllianceBernstein LP
501 Commerce Street, 19th Floor
Nashville, TN 37203
Attn: Kim Jackson
Telephone: (629) 213-6441
Email: FI_PrivatePlacement@alliancebernstein.com

(3) Address for all other communications:

Equitable Financial Life Insurance Company
c/o AllianceBernstein LP
66 Hudson Blvd East, 27th Floor
New York, NY 10001
Attn: Svetlana Goldenberg
Telephone: 212-823-3973
Email: Lana.Goldenberg@alliancebernstein.com and
ABPPCompliance@alliancebernstein.com

(4) Address for physical delivery of the Note:

JPMorgan Chase Bank NA
780 Delta Drive
Mail Code: CIB Inbound LA4-0099
Monroe LA 71203
Phone: 318-432-9100
Ref: G22705

Copy to Joe Scibilia (joe.scibilia@equitable.com)

(5) Nominee: None

(6) U.S. Tax Identification Number: 13-5570651

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
EQUITABLE FINANCIAL LIFE INSURANCE COMPANY c/o AllianceBernstein LP 1345 Avenue of the Americas New York, NY 10105	Second Closing	Series 2025-C	$900,000

(1) All payments shall be made by wire transfer of immediately available funds to:

Bank Name:	JPMorgan Chase
Account:	Equitable Financial Life Insurance Company
ABA Number:	021-000021
Bank Account:	0662955712
Custody Account:	G28792
Ref:	[Chesapeake Utilities Corporation; 5.02% Series 2025-C Senior Notes due September 15, 2030; PPN: 165303 M#2]

Each such wire shall show the name of the Company, the Private Placement Number, the due date of the payment being made and, if such payment is a final payment

(2) Address for notices of payments and written confirmations of wire transfers:

Equitable Financial Life Insurance Company
c/o AllianceBernstein LP
501 Commerce Street, 19th Floor
Nashville, TN 37203
Attn: Kim Jackson
Telephone: (629) 213-6441
Email: FI_PrivatePlacement@alliancebernstein.com

(3) Address for all other communications:

Equitable Financial Life Insurance Company
c/o AllianceBernstein LP
66 Hudson Blvd East, 27th Floor
New York, NY 10001
Attn: Svetlana Goldenberg
Telephone: 212-823-3973
Email: Lana.Goldenberg@alliancebernstein.com and
ABPPCompliance@alliancebernstein.com

(4) Address for physical delivery of the Note:

JPMorgan Chase Bank NA
780 Delta Drive
Mail Code: CIB Inbound LA4-0099
Monroe LA 71203
Phone: 318-432-9100
Ref: G28792

Copy to Joe Scibilia (joe.scibilia@equitable.com)

(5) Nominee: None

(6) U.S. Tax Identification Number: 13-5570651

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
EQUITABLE FINANCIAL LIFE INSURANCE COMPANY OF AMERICA c/o AllianceBernstein LP 1345 Avenue of the Americas New York, NY 10105	First Closing Second Closing	Series 2025-A Series 2025-C	$2,000,000 $1,500,000

(1) All payments shall be made by wire transfer of immediately available funds to:

Bank Name:	JPMorgan Chase
Account:	Equitable Financial Life Insurance Company of America
ABA Number:	021-000021
Bank Account:	0895801717
Custody Account:	G46496
Ref:	[Chesapeake Utilities Corporation; 4.88% Series 2025-A Senior Notes due August 1, 2028; PPN: 165303 M*6] [Chesapeake Utilities Corporation; 5.02% Series 2025-C Senior Notes due September 15, 2030; PPN: 165303 M#2]

Each such wire shall show the name of the Company, the Private Placement Number, the due date of the payment being made and, if such payment is a final payment

(2) Address for notices of payments and written confirmations of wire transfers:

Equitable Financial Life Insurance Company of America
c/o AllianceBernstein LP
501 Commerce Street, 19th Floor
Nashville, TN 37203
Attn: Kim Jackson
Telephone: (629) 213-6441
Email: FI_PrivatePlacement@alliancebernstein.com

(3) Address for all other communications:

Equitable Financial Life Insurance Company of America
c/o AllianceBernstein LP
66 Hudson Blvd East, 27th Floor
New York, NY 10001
Attn: Svetlana Goldenberg
Telephone: 212-823-3973
Email: Lana.Goldenberg@alliancebernstein.com and
ABPPCompliance@alliancebernstein.com

(4) Address for physical delivery of the Notes:

JPMorgan Chase Bank NA
780 Delta Drive
Mail Code: CIB Inbound LA4-0099
Monroe LA 71203
Phone: 318-432-9100
Ref: G46496

Copy to Joe Scibilia (joe.scibilia@equitable.com)

(5) Nominee: None

(6) U.S. Tax Identification Number: 86-0222062

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
EQUITABLE FINANCIAL LIFE INSURANCE COMPANY OF AMERICA c/o AllianceBernstein LP 1345 Avenue of the Americas New York, NY 10105	Second Closing	Series 2025-C	$600,000

(1) All payments shall be made by wire transfer of immediately available funds to:

Bank Name:	JPMorgan Chase
Account:	Equitable Financial Life Insurance Company of America
ABA Number:	021-000021
Bank Account:	0895801816
Custody Account:	G46497
Ref:	Chesapeake Utilities Corporation; 5.02% Series 2025-C Senior Notes due September 15, 2030; PPN: 165303 M#2

Each such wire shall show the name of the Company, the Private Placement Number, the due date of the payment being made and, if such payment is a final payment

(2) Address for notices of payments and written confirmations of wire transfers:

Equitable Financial Life Insurance Company of America
c/o AllianceBernstein LP
501 Commerce Street, 19th Floor
Nashville, TN 37203
Attn: Kim Jackson
Telephone: (629) 213-6441
Email: FI_PrivatePlacement@alliancebernstein.com

(3) Address for all other communications:

Equitable Financial Life Insurance Company of America
c/o AllianceBernstein LP
66 Hudson Blvd East, 27th Floor
New York, NY 10001
Attn: Svetlana Goldenberg
Telephone: 212-823-3973
Email: Lana.Goldenberg@alliancebernstein.com and
ABPPCompliance@alliancebernstein.com

(4) Address for physical delivery of the Note:

JPMorgan Chase Bank NA
780 Delta Drive
Mail Code: CIB Inbound LA4-0099
Monroe LA 71203
Phone: 318-432-9100
Ref: G46497

Copy to Joe Scibilia (joe.scibilia@equitable.com)

(5) Nominee: None

(6) U.S. Tax Identification Number: 86-0222062

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
COBANK, ACB 6340 S. Fiddlers Green Circle Greenwood Village, CO 80111	First Closing Second Closing	Series 2025-B Series 2025-C	$8,000,000 $6,000,000

(1) All payments shall be made by wire transfer of immediately available funds to:

Name of Bank:	CoBank, ACB
Location of Bank:	Greenwood Village, Colorado
Swift BIC:	NBFCUS55
ABA Routing Number:	307088754
Account Name:	Chesapeake Utilities Corporation
Account Number:	00150306

with sufficient information to identify the source and application of such funds.

(2) Address for notices of payments and written confirmations of such wire transfers:

For questions and notices: MB_Booking@cobank.com

(3) Address for all other notices and communications:

Email: closing@cobank.com, PEUCredit@cobank.com, ksimek@cobank.com and mrehmer@cobank.com

(4) Address for physical delivery of the Notes:

CoBank, ACB
6340 S. Fiddlers Green Circle
Greenwood Village, CO 80111
Attn: Matt Shivers
Telephone: (303) 740-4329

Copy to Matt Shivers (mshivers@cobank.com) and closing@cobank.com

(5) Nominee: None

(6) U.S. Tax Identification Number: 84-1286705

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
WESTERN-SOUTHERN LIFE ASSURANCE COMPANY c/o Fort Washington Investment Advisors 303 Broadway Cincinnati, OH 45202	First Closing	Series 2025-A	$10,000,000

(1) All payments on account of the Note held by such purchaser shall be made by wire transfer of immediately available funds for credit to:

Bank Name:	The Bank of New York Mellon
ABA Number:	021000018
BNF:	GLA 111566
Attn:	PP P&I Department
Ref:	Bank # 9526238400

(2) Address for all notices of payments, wire transfers and audit confirmations:

Western-Southern Life Assurance Company
400 Broadway, Mail Station 80
Cincinnati, OH 45202-3341
Email: invacctg@wslife.com

(3) Address for all other communications:

Fort Washington Investment Advisors
Suite 1200 - Private Placements
303 Broadway
Cincinnati, OH 45202
Email: privateplacements@fortwashington.com

(4) Address for physical delivery of the Note:

The Depository Trust Company
Attn: Esther Ince
570 Washington Blvd. - 5th Floor
Jersey City, NJ 07310
Attn: BNY Mellon/Branch Deposit Department
Ref: A/C Number 952623
Western-Southern Life Assurance Company

Copy to privateplacements@fortwashington.com

(5) Nominee: Hare & Co LLC, on behalf of Western-Southern Life Assurance Company

(6) U.S. Tax Identification Number: 13-6062916 (Hare & Co., LLC)
31-1000236 (Western-Southern Life Assurance Company)

NAME AND ADDRESS OF PURCHASER	CLOSING	SERIES OF NOTES	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
AMERICAN FAMILY MUTUAL INSURANCE COMPANY, S.I. 6000 American Parkway Madison, WI 53783	First Closing	Series 2025-A	$3,000,000
	First Closing	Series 2025-B	$5,000,000

(1) All payments on or in respect of the Note shall be made by Federal Funds Wire Transfer to:

Bank Name:	Northern CHGO/Trust
ABA Number:	071000152
Credit Wire Account:	5186041000
FFC:	American Family Trust Account #4408979 for AFMIC-INT Private Placements
Credit for PPN:	[Series 2025-APPN: 165303 M*6] [Series 2025-B PPN: 165303 M@4]
Ref:	[Chesapeake Utilities Corporation; 4.88% Series 2025-A Senior Notes due August 1, 2028; PPN: 165303 M*6] [Chesapeake Utilities Corporation; 5.16% Series 2025-B Senior Notes due August 1, 2031; PPN: 165303 M@4] Due date and application (as among principal, premium and interest) of the payment being made

(2) Address for all communications related to payments:

American Family Mutual Insurance Company, S.I.
6000 American Parkway
Madison, WI 53783-0001
Attn: Investment Division-Private Placements
Email: dvoge@amfam.com, privateplacements@amfam.com,
dan.krebsbach.1@amfam.com

(3) Address for notices regarding audit confirmations:

American Family Mutual Insurance Company, S.I.
6000 American Parkway
Madison, WI 53783-0001
Attn: Private Placements
Email: dvoge@amfam.com, privateplacements@amfam.com and
dan.krebsbach.1@amfam.com

(4) Address for all other notices:

American Family Mutual Insurance Company, S.I.
6000 American Parkway
Madison, WI 53783-0001
Attn: Investment Division-Private Placements
Email: dvoge@amfam.com, privateplacements@amfam.com and dan.krebsbach.1@amfam.com

(5) Address for physical delivery of the Notes:

The Northern Trust Company
Trade Securities Processing
333 South Wabash Avenue, 32nd Floor
Chicago, IL 60604
Ref: FFC to American Family Trust Account #4408979 for AFMIC-INT Private Placements

Copy to David Voge (dvoge@amfam.com), privateplacements@amfam.com and Dan Krebsbach (dan.krebsbach.1@amfam.com)

(6) Nominee: ELL & CO. nominee for American Family Mutual Insurance Company, S.I.

(7) U.S. Tax Identification Number: 39-0273710 (American Family Mutual Insurance Company, S.I.)
36-6412623 (ELL & CO.)