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March 23, 2021

**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 20190205-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 2020, by Chesapeake Utilities Corporation.**

Dear Mr. Teitzman:

Pursuant to the directions contained in Order No. PSC-2020-0046-FOF-GU (Docket No. 20190205-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, 2020.

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,

*s/Beth Keating*

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



March 19, 2021

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

RE: Docket No. 20190205-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 2020, by Chesapeake Utilities Corporation. – CONSUMMATION REPORT

Dear Mr. Teitzman:

Chesapeake Utilities Corporation (Chesapeake) respectfully files this Consummation Report (original and three copies) on the issuance of securities for the fiscal year ended December 31, 2020 in compliance with Rule 25-8.009, Florida Administrative Code. This is a consolidated filing of Chesapeake Utilities Corporation and Florida Public Utilities Company. In satisfaction of the Consummation Report requirements, Chesapeake sets forth the following information:

1. On February 3, 2020, the Florida Public Service Commission (FPSC) issued Order No. PSC-2020-0046-FOF-GU, which authorized Chesapeake to issue up to 800,000 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 \$650 million in secured and/or unsecured long-term debt for general purposes. The \$650 million in secured and/or unsecured debt may 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 provides that the Company can issue short-term obligations in an amount not to exceed \$370 million in support of the bridge financing, which could be under a Revolving Credit Facility, maturing October 8, 2020, and subsequently refinanced as

unsecured long-term debt with an estimated rate of interest of up to 300 basis points above U.S. Treasury rates with an equivalent average life. 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 5,000,000 shares of common stock to be used 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 \$200 million.

2. On September 30, 2020, the Company entered into a committed revolving credit facility with several financial institutions, for 364 days for a total borrowing capacity of \$375,000,000. As of December 31, 2020, \$175,643,716 was outstanding under the revolving credit agreement as short-term borrowing. The Company may request to extend the expiration date of the revolving credit agreement for up to two (2) additional 364 day periods on any anniversary date of the credit facility, with such extension subject to each Lender's approval. The Company may also request Lenders to increase the capacity of the revolving credit facility by up to \$100,000,000, with any increase at the sole discretion of each Lender.
  
3. For the twelve-month period ended December 31, 2020, Chesapeake issued the following:
  - (a) **17,953** shares of common stock were issued for the purpose of administering Chesapeake's Retirement Savings Plan. The Company has the option of administering the plan by issuing new equity, issuing shares from reserves or purchasing shares on the open market.

- (b) **34,456** shares of common stock (44,775 gross less 10,319 redeemed for taxes) were issued for the Stock and Incentive Compensation Plan.
  - (c) **270,320** shares of common stock were issued for the purpose of administering Chesapeake's Dividend Reinvestment and Direct Stock Purchase Plan. The Company has the option of administering the plan by issuing new equity, issuing shares from reserves or purchasing shares on the open market.
  - (d) **735,336** shares of common stock were issued pursuant to the Company's At-the-Market (ATM) program under a prospectus dated June 30, 2020, and a prospectus supplement dated August 28, 2020.
4. For the twelve-month period ended December 31, 2020, Chesapeake issued unsecured long-term debt in the principal amount of \$90,000,000, consisting of \$50,000,000 at 3.00% issued July 15, 2020 and \$40,000,000 at 2.96% issued August 14, 2020.
5. For the twelve-month period ended December 31, 2020, Chesapeake did not issue any preferred equity.
6. In the second quarter of 2020, Chesapeake entered into LIBOR fixed interest rate swaps with notional amounts totaling \$100,000,000 through October 2020, with pricing ranging between 0.2615 and 0.3875 percent for the period. Subsequently, in the fourth quarter of 2020, Chesapeake entered into interest rate swaps with notional amounts totaling \$60,000,000 through December 2021, with pricing of 0.20 percent and 0.205 percent for the period.

7. Schedules showing capitalization, pretax interest coverage and debt interest requirements as of December 31, 2020, 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 under Docket Nos. 991631-GU, 080635-GU, 090487-GU, 100444-GU and 110304-GU 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. 20190205-GU, this 19<sup>th</sup> day of March 2021.

Sincerely,

CHESAPEAKE UTILITIES CORPORATION



Beth W. Cooper  
Executive Vice President and Chief Financial Officer

CHESAPEAKE UTILITIES CORPORATION  
Summary of Exhibits

<u>Exhibit Reference</u>	<u>Description</u>
Exhibit A	Schedules showing capitalization, pretax interest coverage and debt requirements as of December 31, 2020
Exhibit B	Form 10-K for the year ended December 31, 2020

## CHESAPEAKE UTILITIES CORPORATION

Notes to Capitalization, Income and  
Pretax Interest Coverage Schedules  
Actual December 31, 2019 and Pro Forma after Issuance

The following adjustments have been made to capitalization:

1. Common Stock – Number of shares (1,058,065) times par value (\$0.4867 per share), with the shares issued for the following purposes:
  - 34,456 shares for the Stock and Incentive Compensation Plan
  - 270,320 shares under the Dividend Reinvestment and Direct Stock Purchase Plan.
  - 17,953 shares under the Retirement Savings Plan
  - 735,336 shares under the At-the-Market (ATM) program
  
2. Additional Paid in Capital – Total cash value less the associated Common Stock amount for the following issuances:
  - 1,058,065 shares at \$84.33 per share on average
  
3. Long-Term Debt –
  - \$90,000,000 Issued in 2020
  - \$50,000,000 - July 2020 at 3.00%
  - \$40,000,000 – August 2020 at 2.96%
  
4. Short-Term Debt –
  - Amount Authorized: \$370,000,000
  - Amount Outstanding as of December 31, 2020: \$175,643,716

CHESAPEAKE UTILITIES CORPORATION  
Capitalization Ratios Actual December 31, 2019 & Pro Forma after Issuance  
UNAUDITED

TYPE OF CAPITAL	ACTUAL BEFORE ISSUANCE				PRO FORMA AFTER ISSUANCE			
	AMOUNT OUTSTANDING as of 12/31/2019	% OF TOTAL	2020 Changes excluding Long-term Financings	2019 Before PRO FORMA ADJUSTMENT	Financing PRO FORMA ADJUSTMENT	AMOUNT OUTSTANDING as of 12/31/2020	% OF TOTAL	
<b>STOCKHOLDERS' EQUITY</b>								
COMMON STOCK	\$ 7,983,717	0.62%	\$ -	\$ 7,983,717	\$ 514,963	\$ 8,498,680	0.61%	
PAID IN CAPITAL	259,252,704	20.02%	-	259,252,704	89,229,425	348,482,129	24.98%	
RETAINED EARNINGS	300,606,982	23.22%	42,362,041	342,969,023	-	342,969,023	24.59%	
ACCUMULATED OTHER COMPREHENSIVE INCOME	(6,267,069)	-0.48%	3,402,103	(2,864,966)	-	(2,864,966)	-0.21%	
DEFERRED COMPENSATION OBLIGATION	4,543,160	0.35%	1,136,248	5,679,408	-	5,679,408	0.41%	
TREASURY STOCK	(4,543,160)	-0.35%	(1,136,248)	(5,679,408)	-	(5,679,408)	-0.41%	
PREFERRED STOCK	-	0.00%	-	-	-	-	0.00%	
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>\$ 561,576,334</b>	<b>43.37%</b>	<b>\$ 45,764,144</b>	<b>\$ 607,340,478</b>	<b>\$ 89,744,388</b>	<b>\$ 697,084,866</b>	<b>49.98%</b>	
<b>LONG-TERM DEBT</b>								
FIRST MORTGAGE BONDS	\$ 7,986,129	0.62%	\$ (7,986,129)	\$ -	\$ -	\$ -	0.00%	
SENIOR NOTES (1) (2) (3)	432,181,968	33.38%	(13,683,293)	418,498,675	90,000,000	508,498,675	36.46%	
OTHER	-	0.00%	-	-	-	-	0.00%	
<b>TOTAL LONG-TERM DEBT</b>	<b>\$ 440,168,097</b>	<b>34.00%</b>	<b>\$ (21,669,422)</b>	<b>\$ 418,498,675</b>	<b>\$ 90,000,000</b>	<b>\$ 508,498,675</b>	<b>36.46%</b>	
<b>TOTAL PERMANENT CAPITAL</b>	<b>\$ 1,001,744,431</b>	<b>77.37%</b>	<b>\$ 24,094,722</b>	<b>\$ 1,025,839,153</b>	<b>\$ 179,744,388</b>	<b>\$ 1,205,583,541</b>	<b>86.43%</b>	
<b>CURRENT PORTION OF LTD</b>	<b>\$ 45,600,000</b>	<b>3.52%</b>	<b>\$ (32,000,000)</b>	<b>\$ 13,600,000</b>	<b>\$ -</b>	<b>\$ 13,600,000</b>	<b>0.98%</b>	
<b>SHORT-TERM DEBT</b>								
SHORT-TERM DEBT	\$ 247,370,584	19.11%	\$ 108,017,520	\$ 355,388,104	\$ (179,744,388)	\$ 175,643,716	12.59%	
<b>SHORT-TERM DEBT</b>	<b>\$ 247,370,584</b>	<b>19.11%</b>	<b>\$ 108,017,520</b>	<b>\$ 355,388,104</b>	<b>\$ (179,744,388)</b>	<b>\$ 175,643,716</b>	<b>12.59%</b>	
<b>TOTAL CAPITALIZATION</b>	<b>\$ 1,294,715,015</b>	<b>100.00%</b>	<b>\$ 100,112,242</b>	<b>\$ 1,394,827,257</b>	<b>\$ -</b>	<b>\$ 1,394,827,257</b>	<b>100.00%</b>	

(1) \$50,000,000 at 3.00%, \$40,000,000 at 2.96%  
(2) \$30,000,000 Intermediate Term Note, dated January 2019 paid off in February 2020  
(3) ProForma does not include any 2021 committed LTD that will be funded in 2021.

Beth W. Cooper



CHESAPEAKE UTILITIES CORPORATION  
Statement of Income and Pretax Interest Coverage  
Actual December 31, 2019 & Pro Forma after Issuance

UNAUDITED

	Actual Before <u>Issuance</u>	2020 Changes excluding Long-term <u>Financings</u>	2020 Before PRO FORMA <u>ADJUSTMENT</u>	Pro Forma <u>Adjustment</u>	2020 Actual After <u>Issuance</u>
Statement of Income					
1 Operating revenues	\$479,605,059	\$8,592,540	\$488,197,599	\$0	\$488,197,599
2 Operating expenses before income taxes	373,319,655	2,155,318	375,474,973	0	375,474,973
3 Income taxes (including Deferrals)	<u>21,114,034</u>	<u>2,490,550</u>	<u>23,604,584</u>	<u>(65,965)</u>	<u>23,538,619</u>
4 Operating Income (1-(2+3))	85,171,370	3,946,672	89,118,042	65,965	89,184,007
5 Other Income, Net	<u>(1,847,092)</u>	<u>5,069,410</u>	<u>3,222,318</u>	<u>0</u>	<u>3,222,318</u>
6 Income Before Interest Charges (4+5)	83,324,278	9,016,082	92,340,360	65,965	92,406,325
7 Interest Charges (b)	<u>22,224,014</u>	<u>(703,508)</u>	<u>21,520,506</u>	<u>244,314</u>	<u>21,764,820</u>
8 Income from Continuing Operations (6-7)	\$61,100,264	\$9,719,590	\$70,819,854	(\$178,349)	\$70,641,505
9 Preferred stock dividends	\$0	\$0	\$0	\$0	\$0
10 Earnings available to common equity (8-9)	\$61,100,264	\$9,719,590	\$70,819,854	(\$178,349)	\$70,641,505
11 Pretax Interest Coverage ((3+6)/7)	4.70		5.39	N/A	5.33

	Amount	Months	Rate	Annualized Interest
New Issue Debt (7/14/2020)	\$ 50,000,000	5.5	3.00%	\$ 687,500
Short-Term Financing	\$ (50,000,000)	5.5	1.47%	\$ (336,875)
New Issue Debt (8/15/2020)	\$ 40,000,000	4.5	2.96%	\$ 444,000
Short-Term Financing	\$ (40,000,000)	4.5	1.47%	\$ (220,500)
Equity Financing	\$ 89,744,388	3		
Short-Term Financing	\$ (89,744,388)	3	1.47%	\$ (329,811)
				\$ 244,314
			Tax Rate	27%
			Income Taxes	\$ 65,965

Beth W. Cooper