



Chesapeake Utilities Corporation Partners with CleanBay Renewables to Increase Sustainable Energy in the Delmarva Community

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DOVER, Del., July 7, 2020 /PRNewswire/ -- Chesapeake Utilities Corporation (NYSE: CPK) today announced a new partnership with CleanBay Renewables Inc. (CleanBay), an enviro-tech company focused on the production of sustainable renewable natural gas, which will generate greenhouse gas credits associated with vehicular usage, and provide Chesapeake Utilities the opportunity to bring additional renewable natural gas to its Delmarva operations. Under the arrangement, Chesapeake Utilities Corporation will transport the renewable natural gas produced at CleanBay's planned Westover, Maryland bio-refinery, to Chesapeake Utilities' natural gas infrastructure in the Delmarva region.

The renewable natural gas generated at CleanBay's Westover facility will reach the market through the joint effort of Chesapeake Utilities Corporation and its subsidiaries, Eastern Shore Natural Gas Company (ESNG) and Marlin Gas Services. Using a virtual pipeline concept, Marlin Gas will transport renewable natural gas from the CleanBay facility to Eastern Shore Natural Gas, Chesapeake Utilities Corporation's interstate infrastructure pipeline, where it will be distributed to end use customers, including low-carbon, renewable vehicle fuel customers.

"Through this partnership, Chesapeake Utilities Corporation has an immediate and scalable opportunity to further impact climate change," said Thomas Spangler, CleanBay Renewables' Executive Chairman. "Our process to turn poultry litter into renewable natural gas is a sustainable, environmentally friendly way to both positively influence our region's poultry ecosystem and reduce U.S. greenhouse gas emissions for end use customers including powering vehicle fleets with clean, green energy."

Similar to additional planned CleanBay facilities, the Westover bio-refinery will recycle more than 150,000 tons of chicken litter annually. By repurposing a potential source of excess nutrients, CleanBay can generate 765,000 MMBTUs of sustainable renewable natural gas, the amount of energy used by approximately 10,000 homes.

"Utilizing the renewable natural gas derived from processing excess poultry industry organics in the Delmarva region and transforming that into a carbon-negative sustainable energy source, supports our long-standing commitment to our customers and communities to invest in a resilient, environmentally-friendly and diverse energy supply," said Jeff Householder, President and CEO of Chesapeake Utilities Corporation. "This is a win-win for the region as farmers on the Delmarva Peninsula also need an economical way to dispose of agricultural waste, prevent runoff into local waters, and enrich the soil to increase future agricultural production."

"The clean energy produced at each facility will reduce 550,000 tons annually of greenhouse gas emission equivalents (equal to removing 107,795 gasoline-fueled vehicles off the road)" said Donal Buckley, CleanBay's Chief Executive Officer.

The Westover facility is scaled to be large enough to process meaningful quantities of poultry litter and will include more than \$200 million of capital investment by CleanBay. Site preparation is underway, and construction is scheduled to begin later this year.

As Chesapeake Utilities Corporation and its subsidiaries continue to move forward with regional expansion, the goal is to create a renewable natural gas ecosystem directly connected to Chesapeake Utilities' infrastructure. These envisioned direct connection point investments by Chesapeake Utilities will provide the Delmarva community with access to sustainable renewable natural gas at the same time generating regional greenhouse gas reductions.

About Chesapeake Utilities Corporation

Chesapeake Utilities Corporation is a diversified energy delivery company, listed on the New York Stock Exchange, which is engaged in natural gas transmission and distribution; electricity generation and distribution; propane gas distribution; mobile compressed natural gas (CNG) utility services and solutions; and other businesses. Information about Chesapeake Utilities Corporation's businesses is available at www.chpk.com, through the Company's Investor Relations App and on the Annual Report Microsite at cpkannualreport.com.

About CleanBay Renewables Inc.

Founded in 2013, CleanBay Renewables Inc. is an enviro-tech company that harnesses science, technology and economics to tilt the balance back in favor of nature, while protecting the agricultural sector that provides a vital service to humanity. For more information, visit <https://cleanbayrenewables.com>.

Please note that Chesapeake Utilities Corporation is not affiliated with Chesapeake Energy, an oil and natural gas exploration company headquartered in Oklahoma City, Oklahoma.

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