



RECEIVED

OCT 22 2013

CCCD

October 18, 2013

Re: The First State Evolution Project

To Whom It May Concern:

Eastern Shore Natural Gas Company ("Eastern Shore") is a natural gas transmission company headquartered in Dover, Delaware. Eastern Shore is a fully owned subsidiary of Chesapeake Utilities Corporation, a diversified energy company also headquartered in Dover, Delaware, with operations on the Delmarva Peninsula, southeastern Pennsylvania, Florida, Georgia and Texas.

Pursuant to Section 157.21 of the Federal Energy Regulatory Commission's ("Commission") regulations, 18 C.F.R. § 157.21 (2013), Eastern Shore is engaged in the pre-filing process for its proposed The First State Evolution Project ("Project"). As part of this, Eastern Shore is currently exploring route options for the Project, which will consist of upgrades to two existing compression stations (located in Londonderry Township, Pennsylvania and Delaware City, Delaware) and three areas of additional pipeline installation. You are receiving this letter because you are a person or organization that may be affected by or have an interest in the Project and are therefore considered a stakeholder in the Project. Eastern Shore would like to invite you to be involved in the pre-filing process.

With regard to the additional pipeline installation, Eastern Shore's intent is to follow its existing pipeline right-of-way to the greatest extent possible; however, in cases of congested or environmentally sensitive areas, it may be necessary for Eastern Shore to deviate from the existing right-of-way. The exception being the piping required in the Dover, Delaware area where Eastern Shore's intent is to avoid the highly populated and developed areas in Dover by securing new right-of-way to the west of Dover. It is Eastern Shore's intent to follow existing highway or utility corridors to the greatest extent possible; however, Eastern Shore will also require some new right-of-way on private property. The general route descriptions for the additional pipeline are:

1. Construct approximately 25 miles of 16-inch pipeline looping commencing at Eastern Shore's existing compressor station in Londonderry Township, Pennsylvania and terminating at Eastern Shore's existing facility in Glasgow, Delaware. This pipeline looping would traverse Chester County, Pennsylvania, Cecil County, Maryland, and New Castle County, Delaware.
2. Construct approximately 4 miles of 16-inch pipeline looping to be located near Kemblesville, Pennsylvania, parallel to a portion of the 25-mile loop section described above.
3. Construct approximately 5 miles of 16-inch and 1 mile of 8-inch pipeline looping in Kent County, Delaware, commencing at Eastern Shore's existing facility in Cheswold, Delaware and terminating at Hazelettsville Road in Dover, Delaware.

To help illustrate these upgrades to Eastern Shore's existing facilities, a map has been included with this letter for your use.

Eastern Shore will request that the Commission Staff initiate a pre-filing review of Eastern Shore's proposal to construct the above mentioned natural gas transmission facilities in order to increase natural gas firm transportation service capacity in the region. Eastern Shore plans to file an application with the Commission seeking authorization to construct the project under Section 7(c) of the Natural Gas Act ("NGA"), 15 U.S.C. § 717f(c).

Eastern Shore is requesting use of the pre-filing process because the process will allow stakeholder and environmental issues to be identified and resolved at early stages in the Project's development and planning. This will benefit all affected stakeholders and will assist in meeting the Project's timeline for regulatory review and obtaining necessary approvals and permits.

Specifically, Eastern Shore believes the pre-filing process, in conjunction with implementation of the Project's Stakeholder Outreach Plan, will benefit Eastern Shore, interested agencies and other stakeholders by:

- Assisting in the initial assembly of information about the proposal to facilitate development of a complete record once the application is filed;
- Assisting in identifying affected parties and issues for resolution;
- Providing a process that accommodates site visits, meetings with agencies and stakeholders, open houses, and examination of alternatives;
- Providing all interested agencies and stakeholders with reasonable and appropriate access to draft Resource Reports and other Project-related information;
- Eliminating or reducing the number of environmental data requests;
- Ensuring that the Commission's filing requirements are satisfied and that all of the information needed to complete the environmental document is included; and
- Ensuring that construction of the Project may be completed by the desired in-service date of January 1, 2016.

Eastern Shore is responsive to public concerns, a responsible member of the community, and a reliable natural gas transporter with a history of safe operations since our inception in 1959.

Eastern Shore looks forward to hearing from you, discussing the project in more detail, and receiving your input. To contact Eastern Shore for additional information regarding this potential Project, you may call Eastern Shore Natural Gas locally at 302-734-6710 or toll free at 1-877-650-1257 and ask for David Kertis, Engineering, Procurement and Construction Manager at extension 7649.

Eastern Shore Natural Gas Company

October 18, 2013

Page 3 of 3

Sincerely,

Eastern Shore Natural Gas Company

A handwritten signature in black ink, appearing to read "David Kertis". The signature is written in a cursive style with a large initial "D".

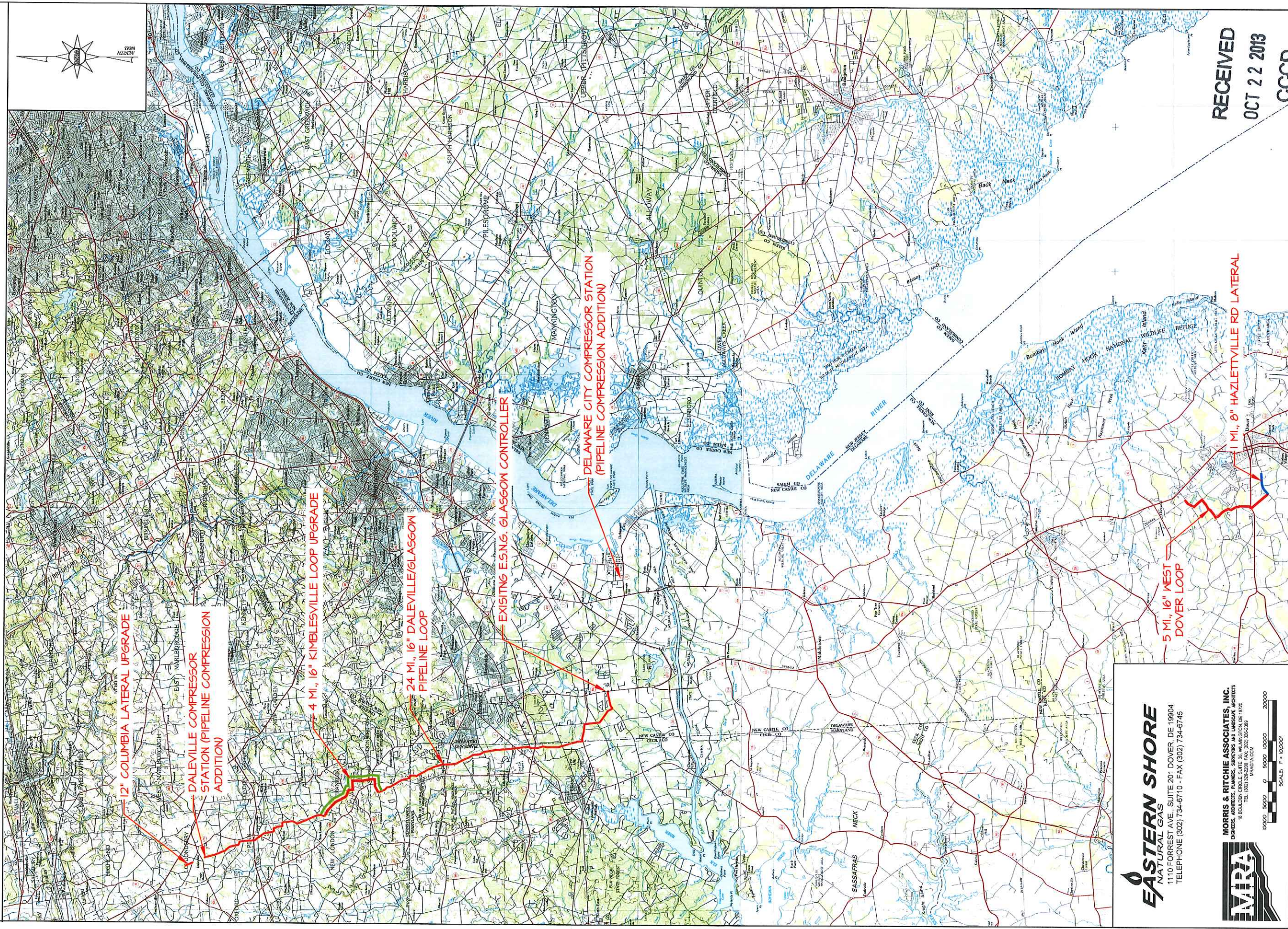
mra

David Kertis

Engineering, Procurement and Construction Manager

cc: Morris & Ritchie Associates, Inc.  
Geo-Technology Associates, Inc.

# EASTERN SHORE NATURAL GAS THE FIRST STATE EVOLUTION PROJECT



**EASTERN SHORE**  
NATURAL GAS  
1110 FORREST AVE., SUITE 201 DOVER, DE 19904  
TELEPHONE (302) 734-8710 • FAX (302) 734-6745



**MORRIS & RITCHIE ASSOCIATES, INC.**  
ENGINEERS, ARCHITECTS, PLANNERS, SURVEYORS AND LANDSCAPE ARCHITECTS  
18 BOLLING CIRCLE, SUITE 300, WILMINGTON, DE 19720  
TEL (302) 382-3800 FAX (302) 382-3809  
WWW.MRADELA.COM



RECEIVED  
OCT 22 2013

CCCD