Exhibit No. TAG-1
Florida Division of Chesapeake Utilities Corp.
Docket No. 000108-GU

LIST OF MFR SCHEDULES SPONSORED BY THOMAS A. GEOFFROY

Schedule	Title
E-9 P. 9	TARIFF
G-1 P. 23	HISTORIC BASE YEAR + 1 - RATE BASE
G-1 P. 24	HISTORIC BASE YEAR + 1 - PLANT ADDITIONS
G-1 P. 25	HISTORIC BASE YEAR + 1 - PLANT RETIREMENTS
G-1 P. 26	PROJECTED TEST YEAR - RATE BASE
G-1 P. 27	PROJECTED TEST YEAR - ADDITIONS
G-1 P. 28	PROJECTED TEST YEAR - PLANT RETIREMENTS
I-1 P. 1	CUSTOMER SERVICE - INTERRUPTIONS
I-2 P. 1	NOTIFICATION OF COMMISSION RULE VIOLATIONS
I-3 P.P. 1-3	METER TESTING-PERIODIC TESTING
I-4 P. 1	RECORDS - VEHICLE ALLOCATION

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 000108-GU EXHIBIT NO. 1
COMPANY/ WITNESS: Geoffroy
DATE: 10-16-00

Exhibit No. TAG-2
Florida Division of Chesapeake Utilities Corporation
Docket No. 000108-GU

Exhibit No. TAG-2, the Company's proposed Original Volume No. 3 tariff, is submitted separately within this filing.

Exhibit No. TAG-3
Florida Division of Chesapeake Utilities Corporation
Docket No. 000108-GU

Summary of the Activity in the Amortization Reserve for the Manufactured Gas Plant site Clean-up

Date	Amounts Collected	Overearnings Applied	Costs Incurred	Balance
Beginning Balance @ 12/31/88				**($286,825)**
12/31/89	**$69,546**		**$17,246**	**($234,525)**
12/31/90	**$69,546**		**$110,811**	**($275,790)**
12/31/91	**$69,546**		**$30,605**	**($236,848)**
12/31/92	**$67,978**		**$2,112**	**($170,983)**
12/31/93	**$71,114**	**$118,761**	**$17,949**	**$943**
12/31/94	**$71,114**		**$44,685**	**$27,372**
12/31/95	**$71,118**		**$34,309**	**$64,181**
12/31/96	**$71,114**	**$292,038**	**$31,676**	**$395,658**
12/31/97	**$71,114**		**$31,563**	**$435,209**
12/31/98	**$71,114**		**$4,455**	**$501,867**
12/31/99	**$71,114**		**$68,272**	**$504,710**

Docket No. 000108-GU
Florida Division of Chesapeake Utilities Corporation

Exhibit TAG-2
Tariff Original Volume No. 3

DOCUMENT NUMBER-DATE
05939 MAY 15 8
FPSC-RECORDS/REPORTING

Florida Division
Original Volume No. 3
Cancels Original Volume No. 2

Original Sheet No. 1

NATURAL GAS TARIFF

ORIGINAL VOLUME NO. 3

OF

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION

FILED WITH

FLORIDA PUBLIC SERVICE COMMISSION

Communications concerning this Tariff should be addressed to:

Florida Division
P. O. Box 960
Winter Haven, Florida 33882-0960

Attn: Rates & Regulatory Manager

Issued by: John R. Schimkaitis, President
Chesapeake Utilities Corporation

Effective:

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DESCRIPTION OF TERRITORY SERVED

Florida Division of Chesapeake Utilities Corporation (hereinafter called "Company") is a natural gas distribution company engaged in the business of distributing natural gas in the State of Florida.

The present system of the Company is comprised of interconnected distribution facilities serving that area within and adjacent to the communities of Winter Haven, Auburndale, Bartow, Baseball City, Davenport, Loughman, Haines City, Mountain Lake, Lake Alfred, Eagle Lake, Lake Wales, Dundee, Lake Hamilton, Highland City, Waverly, Mulberry and Nichols in Polk County, Plant City in Hillsborough County and St. Cloud in Osceola County. The Company's distribution system also serves certain discrete areas within Gadsden County outside the city limits of Quincy, Havana, and Chattahoochee. Further service territories include certain discrete portions of Gilchrist, Union, Holmes, Jackson and DeSoto counties. Additionally, the Company's distribution system serves all areas within Citrus County.

The Company maintains its general offices, books and records in Winter Haven, Florida, where a copy of all rate schedules, general terms and conditions, and standard forms are readily available for public inspection.

DESCRIPTION OF TERRITORY SERVED
(Continued)

Area included inside the following:

On the western boundary of Hillsborough County NW Corner Section 5, Township 27S, Range 21E proceeding south to SW Corner S 5, T 29S, R 21E then east to SW Corner S 4, T 29 S, R 21 E, then south to SW corner S 9, T 30 S, R 21 E, then east to SE corner S 11, T 30 S, R 21 E, then south to SE corner S 23, T 30 S, R 21 E, then west to SE corner S 21, T 30 S, R 21 E, then south to SW Corner S 34, T 32 S, R 21 E, then east to SE Corner S 36, T 32 S, R 22 E, then south into Hardee County to SW Corner S 19, T 33 S, R 23 E, then east to SE Corner S 24, T 33 S, R 27 E then north into Polk County SE Corner S 36, T 32 S, R 27 E, then NNW to SW Corner S 35, T 31 S, R 27 E, then north to SW Corner S 14, T 31 S, R 27 E, then east 0.5 miles, then north to the south line of S 2, T 31 S, R 27 E (also being the west edge of Crooked Lake) then north and east along irregular shore line of Crooked Lake to NW Corner of S 33, T 30 S, R 28 E, then southeast 0.5 miles, then east to 0.5 miles south of north section line of S 32, T 30 S, R 29 E to the west edge of Lake Weohyakapka (Walk in Water) then north to SE Corner S 20, T 30 S, R 29 E, then north to SE Corner S 32, T 29 S, R 29 E then north along east section line of S 32, T 29 S, R 29 E to SE Corner of S 29, T 29 S, R 29 E, then east along south section line of S 28, T 29 S, R 29 E to west edge of Lake Rosalie, then north and east along irregular shore line of Lake Rosalie to SW Corner of S 14, T 29 S, R 29 E then north northeast to Polk County - Osceola County boundary line, then following irregular Osceola County line north to approximately 0.3 mile west of SE Corner S 31, T 27 S, R 30 E then continuing east in Osceola County to SE Corner of S 31, T 27 S, R 33 E, then north to NE Corner S 30, T 25 S, R 33 E then west to edge of east right-of-way of Florida Turnpike then south southeast to SE Corner of S 16, T 26 S, R 30 E, then west to NE corner S 21, T 26 S, R 29 E, then south to SE corner S 33, T 27 S, R 29 E, then west to NE corner S 4, T 28 S, R 29 E, then south to SE corner S 21, T 28 S, R 29 E, then west to SW corner S 20, T 28 S, R 28 E, then north to NE corner S 6, T 28 S, R 28 E, then east to SE corner S 31, T 27 S, R 28 E, then north to NE corner S 18, T 26 S, R 28 E, being the Polk – Osceola County boundary line, then north northwest along the Polk – Osceola County line to a point 0.5 miles north of the south boundary line of S 6, T 26 S, R 28 E, on the Polk – Osceola County line, then north to a point 0.25 miles east of NW corner of S 31, T 25 S, R 28 E, then west to SW Corner S 27, T 25 S, R 27 E then north to SE Corner S 9, T 25 S, R 27 E, then west to SE Corner S 7, T 25 S, R 27

DESCRIPTION OF TERRITORY SERVED
(Continued)

E then north northwest to NW Corner S 1, T 25 S, R 26 E in Polk County then west to NW Corner S 2, T 25 S, R 25 E, then north to NE Corner S 34, T 24 S, R 25 E, then west to NW Corner S 32, T 24 S, R 25 E, then South to SE corner S 6, T 27 S, R 25 E, then west to SW corner S 6, T 27 S, R 25 E, then south to NW corner S 31, T 27 S, R 25 E, then east to NE corner S 31, T 27 S, R 25 E, then south to a point 200 feet north of the centerline of U.S. Highway 92, then westerly (along a line generally parallel to and 200 feet north of the centerline of U.S. Highway 92) to a point which is 0.3 miles west of Old Dixie Highway, then south to a point 200 feet south of the centerline of U.S. Highway 92, then easterly (along a line generally parallel to and 200 feet north of the centerline of U.S. Highway 92) to an imaginary line extending south from the NE corner S 31, T 27 S, R 25 E, then south along said imaginary line to a point (in the approximate center of Lake Hancock) on an imaginary made by extending east, the centerline of Wallace Road, then west to the centerline of Yarborough Lane, then south to an imaginary line made by extending east the intersection of the centerlines of County Line Road and SR 60, then west to the intersection of the centerlines of County Line Road and SR 60 (also being the Polk – Hillsborough County boundary line), then north along county line boundary to SW Corner S 31, T 26 S, R 23 E, then west along Polk-Pasco-Hillsborough County lines to NW Corner S 5, T 27 S, R 21 E, being the point of beginning.

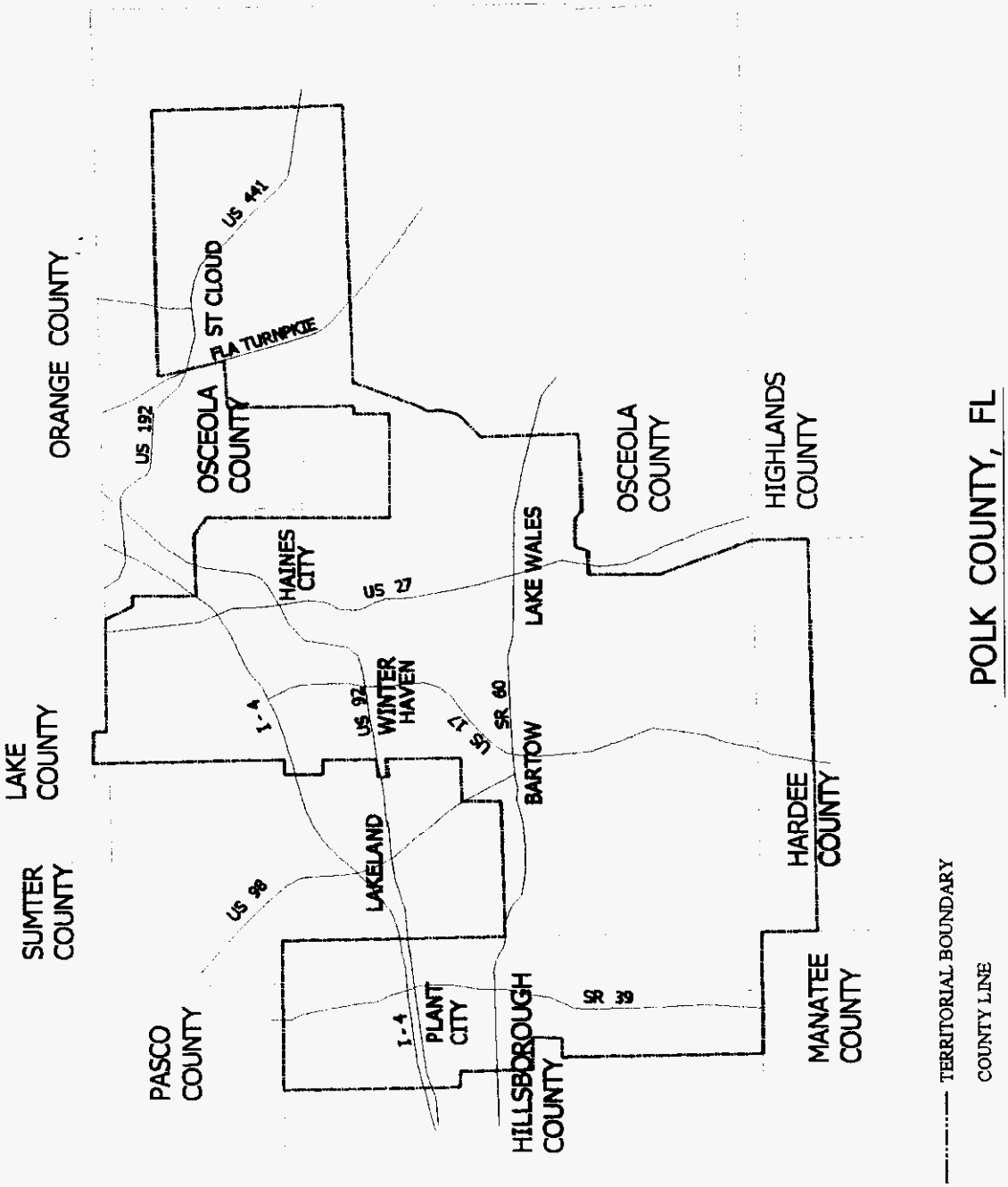
LIST OF COMMUNITIES SERVED

Community	Applicable Rate Schedules
Auburndale	All
Bartow	All
Crystal River	All
DeSoto County	All
Dundee	All
Eagle Lake	All
Gadsden County	All
Gilchrist County	All
Haines City	All
Highland City	All
Holmes County	All
Homosassa Springs	All
Inverness	All
Jackson County	All
Lake Alfred	All
Lake Hamilton	All
Lake Wales	All

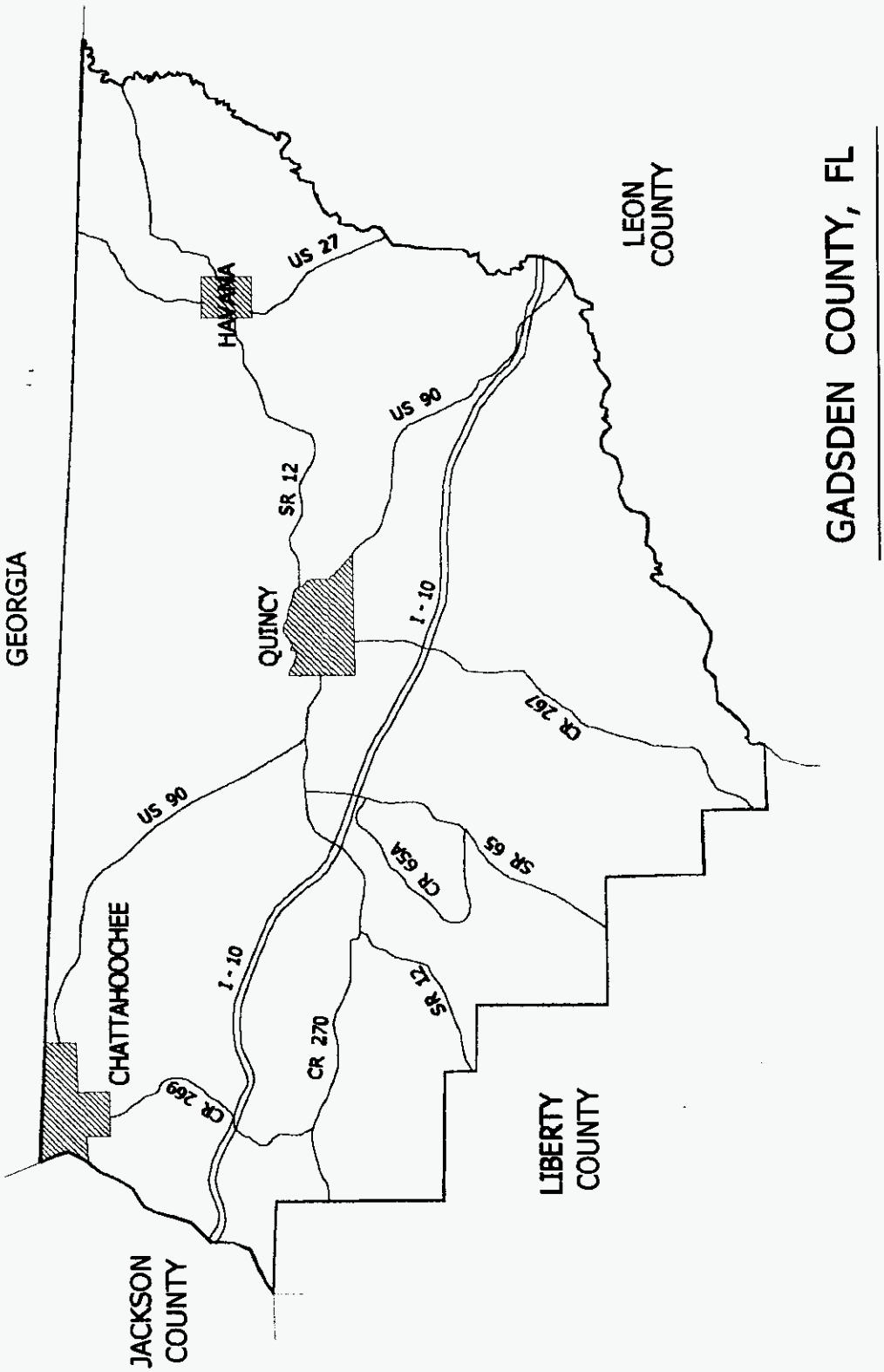
LIST OF COMMUNITIES SERVED
(Continued)

Community	Applicable Rate Schedules
Lecanto	All
Mountain Lake	All
Mulberry	All
Nichols	All
Plant City	All
St. Cloud	All
Union County	All
Waverly	All
Winter Haven	All

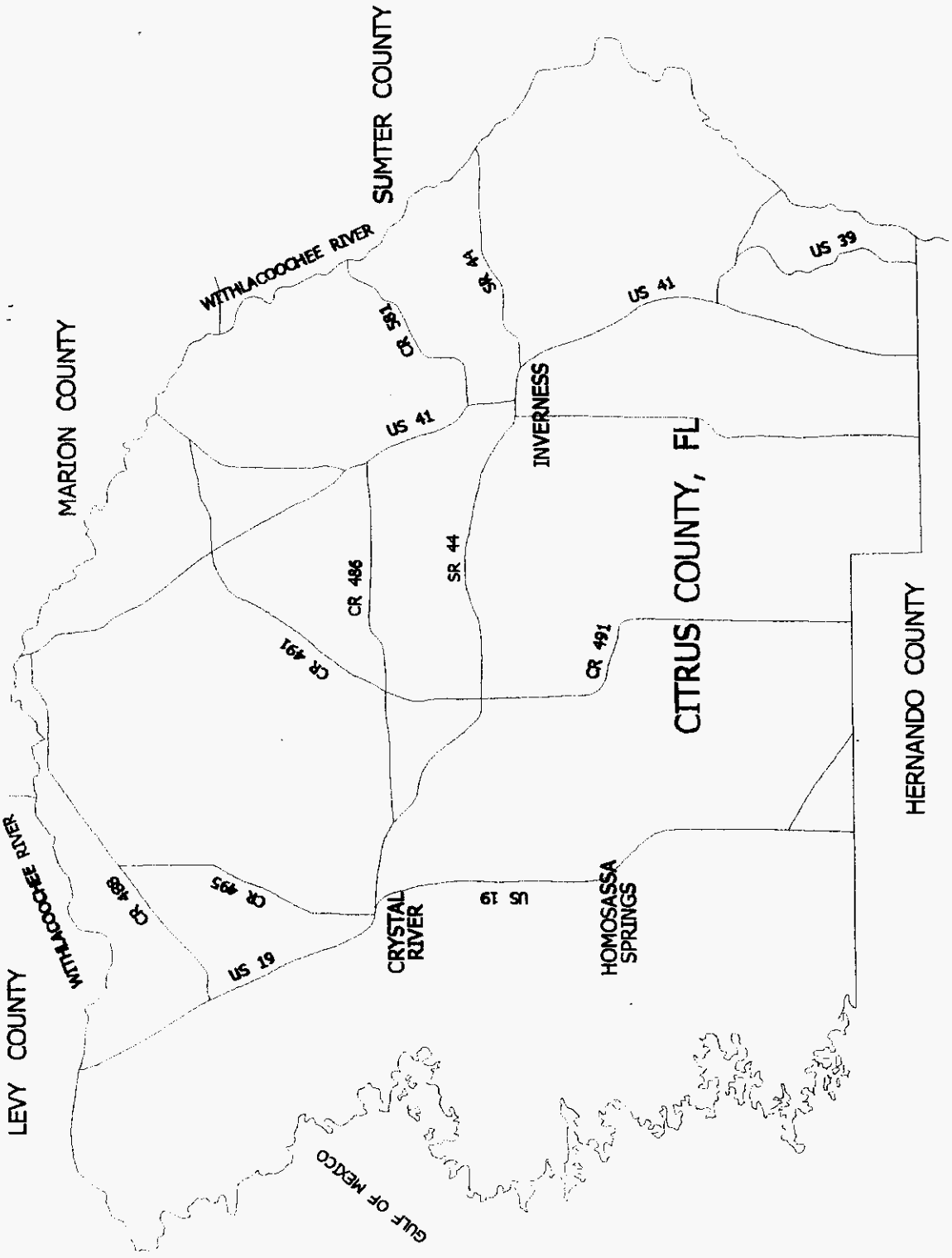
MAPS


POLK COUNTY, FL
ORANGE COUNTY
OSCEOLA COUNTY
ST CLOUD
US 441
FLA TURNPIKE
US 192
HAINES CITY
US 27
LAKE WALES
OSCEOLA COUNTY
HIGHLANDS COUNTY
LAKE COUNTY
I-4
US 92
WINTER HAVEN
US 17
SR 60
BARTOW
SUMTER COUNTY
US 98
LAKELAND
HARDEE COUNTY
PASCO COUNTY
I-4
PLANT CITY
SR 39
HILLSBOROUGH COUNTY
MANATEE COUNTY
TERRITORIAL BOUNDARY
COUNTY LINE

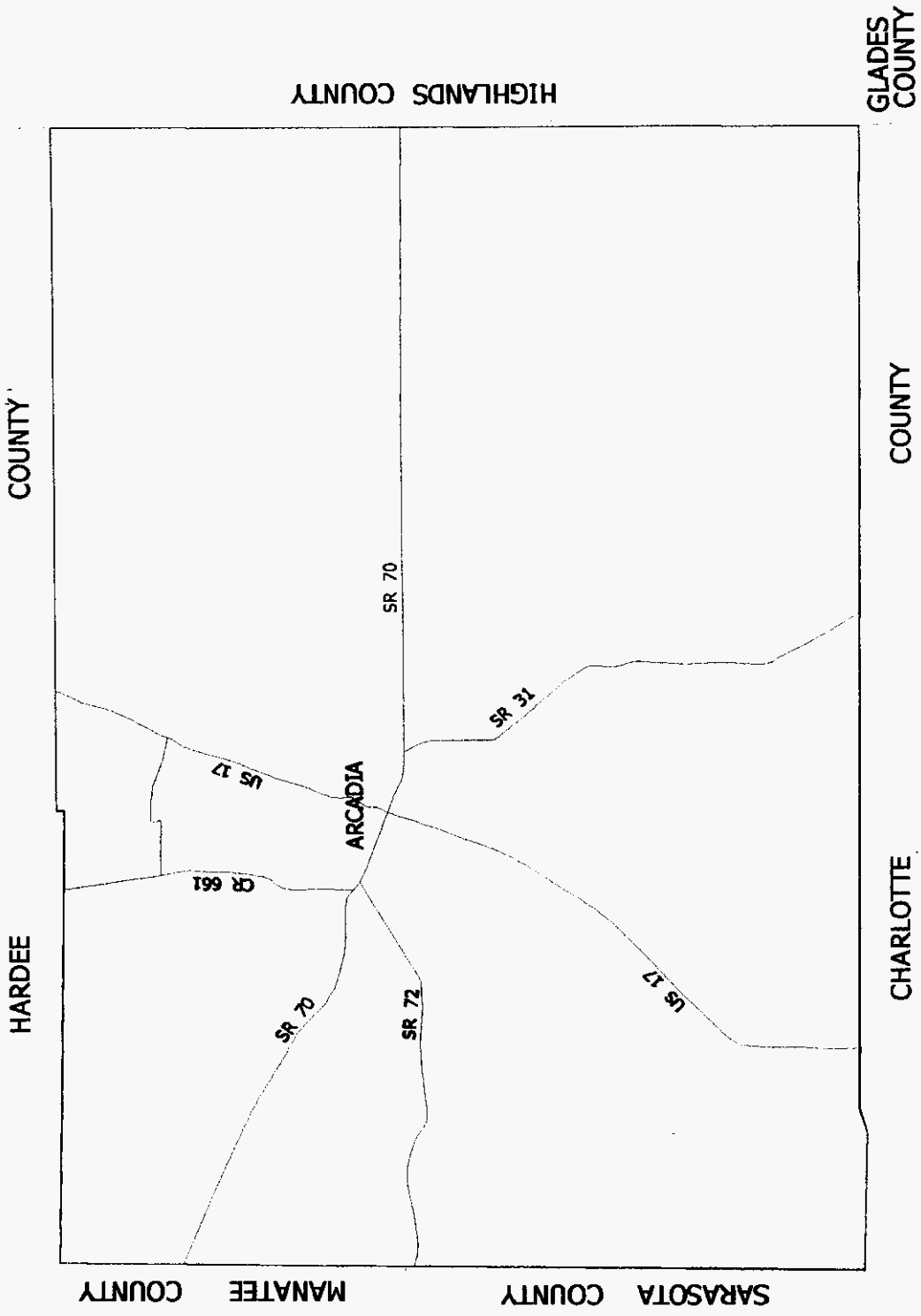
MAPS


GADSDEN COUNTY, FL
GEORGIA
LEON COUNTY
LIBERTY COUNTY
JACKSON COUNTY
CHATTAHOOCHEE
HAVANA
QUINCY
US 27
US 90
SR 12
I-10
CR 267
SR 65
CR 65A
SR 12
CR 270
CR 269

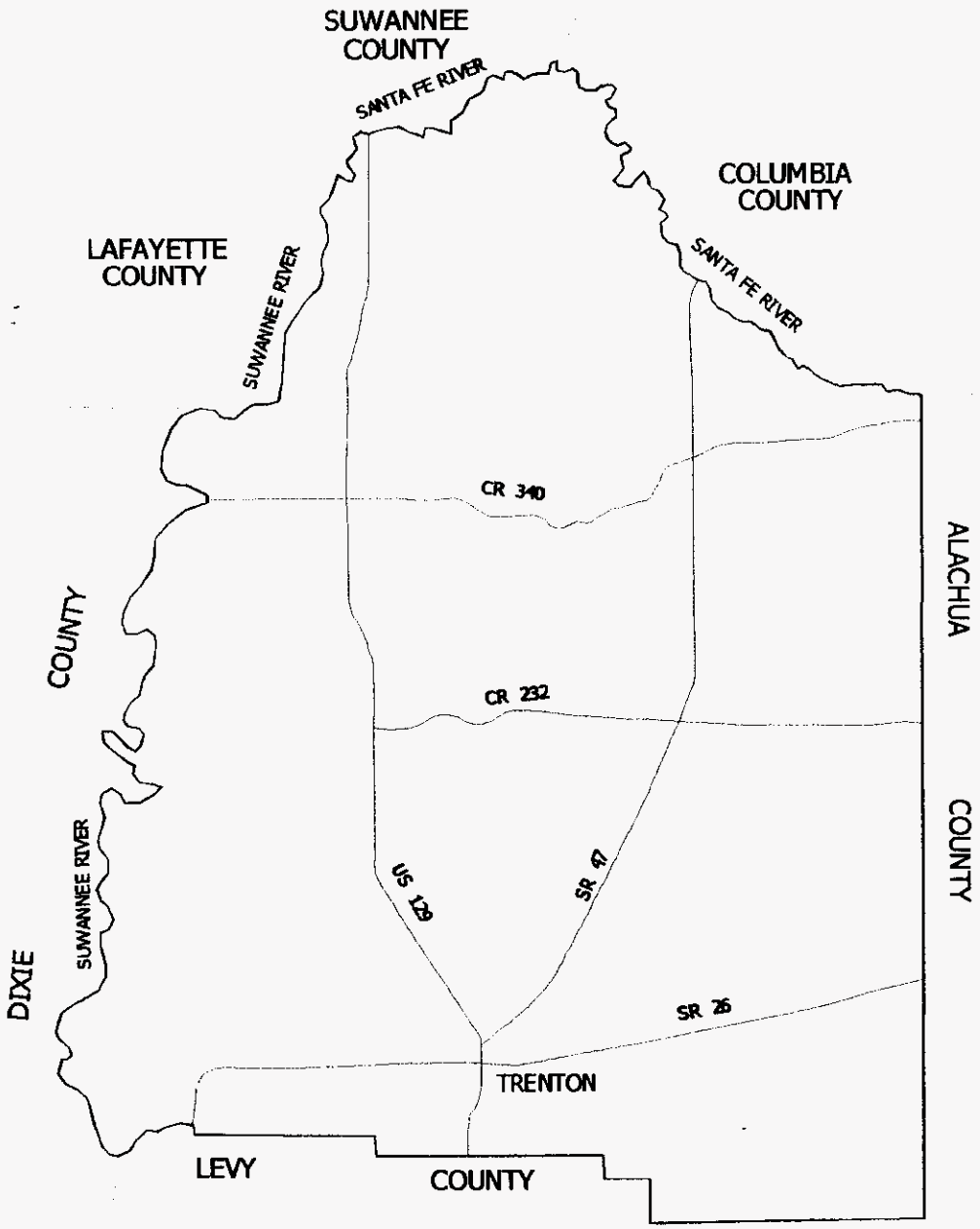
MAPS


SUMTER COUNTY
WITHLACOOCHEE RIVER
MARION COUNTY
CR 581
SR 44
US 41
US 41
US 301
INVERNESS
CR 486
SR 44
CR 491
CR 491
CITRUS COUNTY, FL
HERNANDO COUNTY
WITHLACOOCHEE RIVER
CR 488
CR 495
US 19
US 19
CRYSTAL RIVER
HOMOSASSA SPRINGS
LEVY COUNTY
GULF OF MEXICO

MAPS

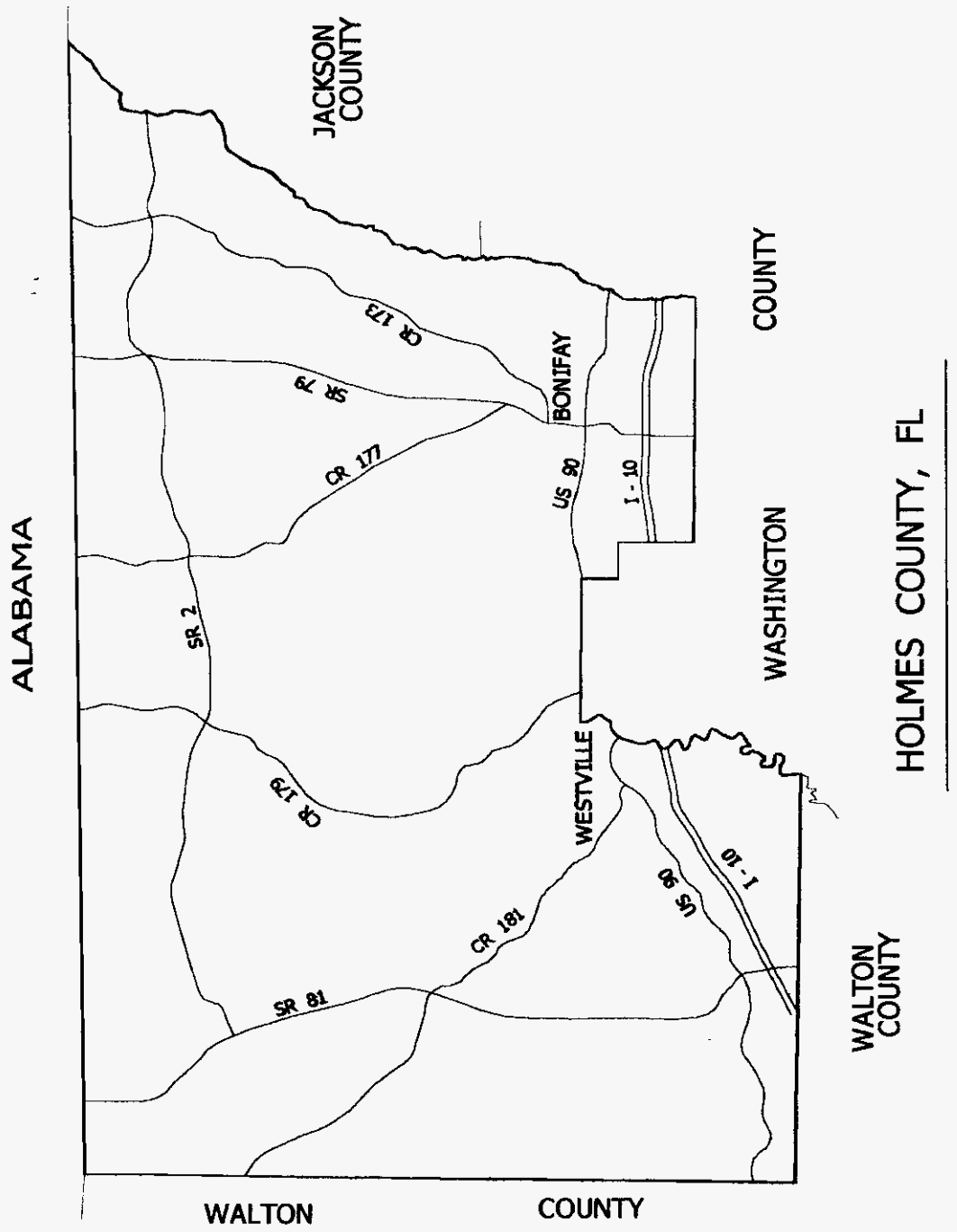

GLADES COUNTY
HIGHLANDS COUNTY
COUNTY
COUNTY
DESOTO COUNTY, FL
SR 70
SR 31
US 17
ARCADIA
CR 661
HARDEE
CHARLOTTE
SR 70
SR 72
US 17
MANATEE COUNTY
SARASOTA COUNTY

MAPS

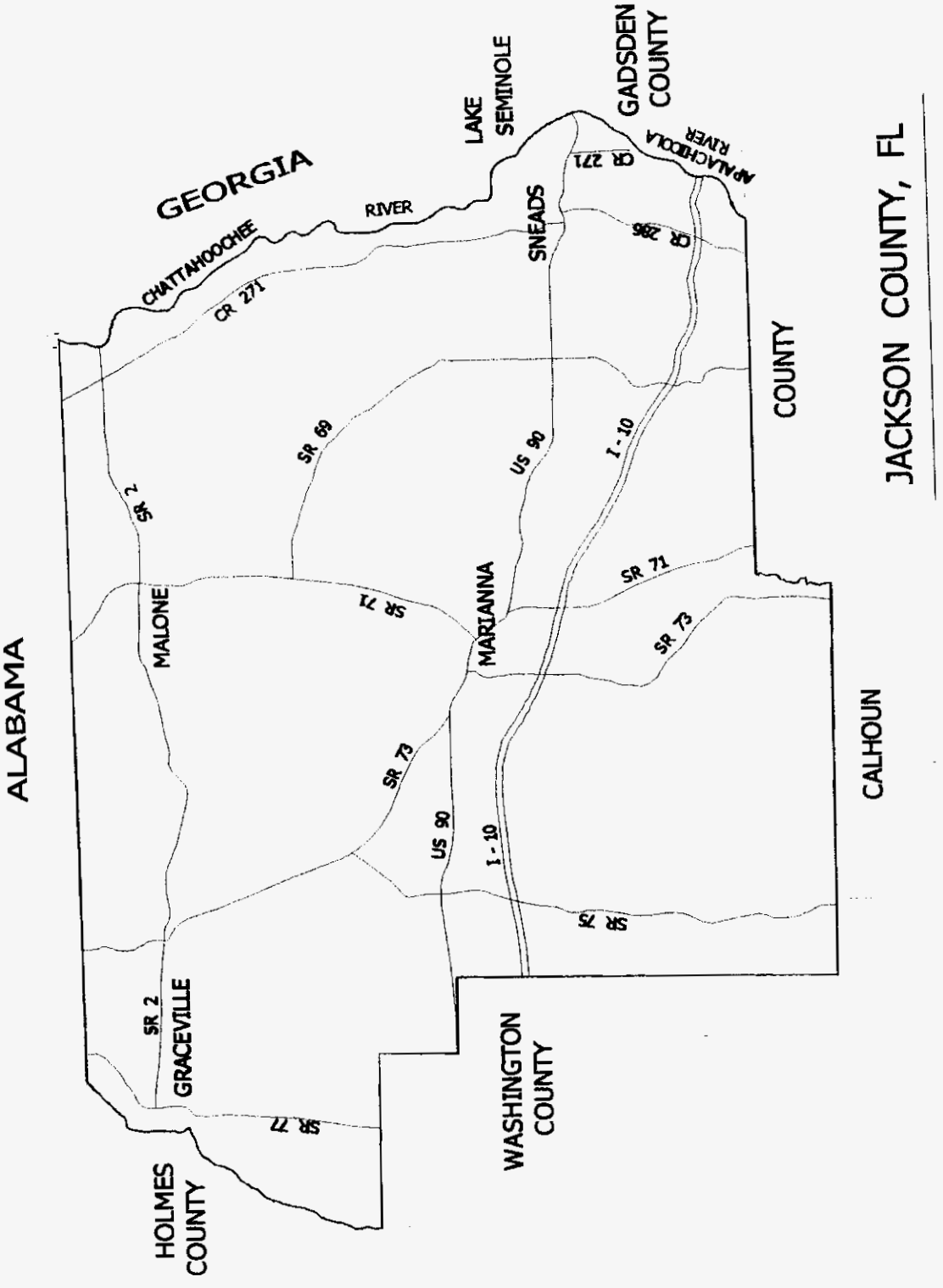


GILCHRIST COUNTY, FL

MAPS


JACKSON COUNTY
ALABAMA
CR 173
SR 79
CR 177
SR 2
CR 179
BONIFAY
US 90
I - 10
COUNTY
WASHINGTON
HOLMES COUNTY, FL
WESTVILLE
US 90
I - 10
CR 181
SR 81
WALTON COUNTY
WALTON
COUNTY

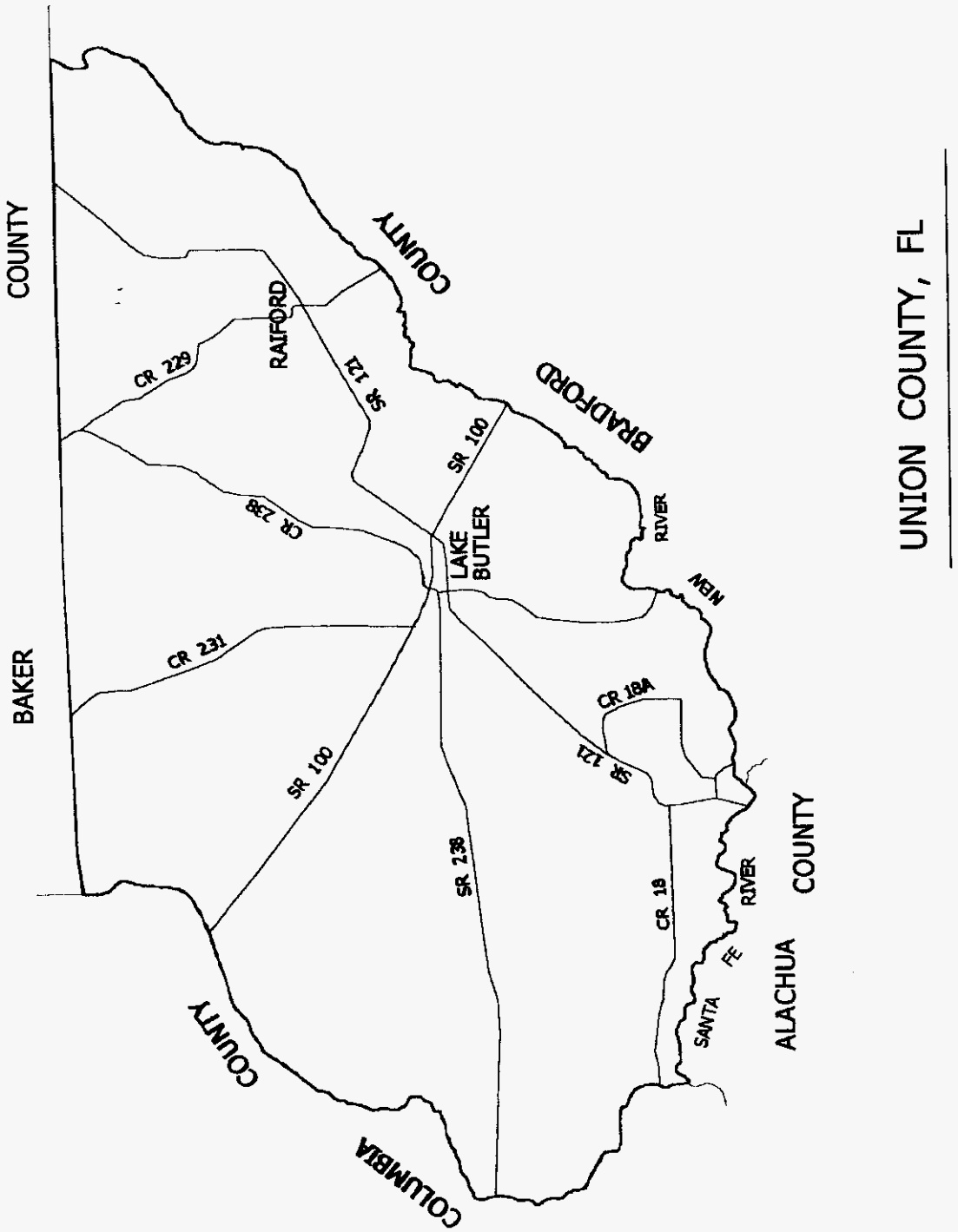
MAPS



Issued By: John R. Schimkaitis, President
Chesapeake Utilities Corporation

Effective:

MAPS



Issued By: John R. Schimkaitis, President
Chesapeake Utilities Corporation,

Effective:

TECHNICAL TERMS AND ABBREVIATIONS

1. ALERT DAY
When Transporter determines that the pipeline is experiencing or may experience in the next Gas Day high or low line pack operating conditions which threaten the ability to render firm services.

2. ALERT DAY NOTICE
Notice issued by the Transporter when, at its sole discretion, reasonably exercised, Transporter determines that the pipeline is experiencing or may experience in the next Gas Day high or low line pack operating conditions which threaten the ability to render firm services.

3. APPLICATION
A form required by the Company to be completed and signed by prospective customers requesting gas service.

4. ATMOSPHERIC PRESSURE
Fourteen and seventy-three hundredth (14.73) pounds to the square inch, irrespective of actual elevation or location of the point of measurement above sea level or variations in atmospheric pressure from time to time.

5. BASE NON-FUEL RATES
The rates per therm set forth in the rate schedules stated in dollars and cents before application of billing adjustments.

6. BILLING ADJUSTMENT - BTU
A conversion factor representing the BTU content per cubic foot used to convert cubic feet to therms for billings to customers. The BTU content shall be the BTU per cubic foot as reported by the transporting pipeline.

7. BILLING PERIOD
Regular monthly period in which the Company reads meter and renders Customer's bill.

8. BILLING ADJUSTMENT - PURCHASED GAS
A provision in the tariff for adjusting the rates for any variation in the cost of gas purchased from Company's supplier(s).

TECHNICAL TERMS AND ABBREVIATIONS
(Continued)

9. BILLING - TAXES
A provision in the tariff for adjusting the rates contained therein for any variation in taxes based on meters, customers, revenues or volumes assessed subsequent to the effective date of rates.

10. BILLING UNIT
The billing unit shall be the "therm" which will be computed by applying the "Billing Adjustment Factor - BTU" to the corrected cubic foot consumption indicated by the difference between meter readings at the beginning and end of the billing period.

11. BRITISH THERMAL UNIT (BTU)
The quantity of heat required to raise the temperature of one pound (avoirdupois) of pure water from 58.5 degrees Fahrenheit to 59.5 degrees Fahrenheit at a constant pressure of 14.73 pounds per square inch absolute.

12. CLASSIFICATION OF CUSTOMER
A classification of each Customer according to the primary use of gas by Customer.

13. CLASSIFICATION OF SERVICE
A classification of each Customer according to the quantity of gas used by Customer to which a particular rate schedule applies.

14. COMMISSION
Florida Public Service Commission

15. COMPANY
Florida Division of Chesapeake Utilities Corporation, a Delaware Corporation.

16. CONJUNCTIVE OR COMBINED BILLING
The combination of the quantities of gas, demands, or other billing determinants of two or more meters or services into respective single quantities for the purpose of billing only as if the bill were for a single meter or service.

TECHNICAL TERMS AND ABBREVIATIONS
(Continued)

17. CONTACT PERSON
Shall mean person(s) specified by Shipper that is available to receive communication from Transporter at any and all times and upon whose written and oral communications Transporter may exclusively rely.

18. CONTRACT SALES SERVICE
A contract between the Company and a Customer who has alternative fuel sources that defines the terms and conditions under which the Customer receives General Sales Service from the Company.

19, CONTRACT TRANSPORTATION SERVICE
A contract between the Company and a Customer who has alternative fuel sources that defines the terms and conditions under which the Customer receives gas transportation service from the Company.

20. CUBIC FOOT
For purposes of measurement herein shall be determined as follows:

(a) When gas is metered at the standard delivery pressure, a cubic foot of gas shall be defined to be the volume of gas that, at the temperature and pressure existing in the meter adjusted to 14.98 psia occupies one cubic foot.

(b) When gas is metered at other than the standard delivery pressure, a cubic foot of gas shall be defined as the volume of gas that, at a flowing temperature of 60 degrees F., and at an absolute pressure of 14.73 pounds per square inch, occupies one cubic foot. Meter readings will be adjusted to reflect such temperature and pressure base.

(c) Where orifice meters are used, volumes delivered shall be computed in accordance with the Joint Bureau of Standards, AGA, A.S.M.E. Specifications published April, 1955, as Gas Measurement Committee Report No. 3 of the American Gas Association as amended or revised.

TECHNICAL TERMS AND ABBREVIATIONS
(Continued)

21. CURTAILMENT
Temporary discontinuance of gas service in accordance with the provisions of the Company's end use curtailment or interruption plan.

22. CUSTOMER
Any individual, firm or organization receiving gas service at one location under this tariff and provisions thereof.

23. CUSTOMER FACILITIES CHARGE - MINIMUM BILL
That cost billed to a Customer each billing period that reflects the amount of facilities and service cost used during the billing period.

24. CUSTOMER'S INSTALLATION
All pipe and fittings, regulators, cocks, valves, vents, circulating pipes, connections, appliances and apparatus of every kind and nature used in connection with or forming a part of an installation for utilizing gas for any purpose located on the outlet side of the Company's meter located on Customer's premises.

25. CUSTOMER POOL
A group of not less than ten (10) customers whose aggregated annual usage exceeds 100,000 therms per year that elect, in accordance with the applicable transportation provisions, Transportation Aggregation Service with an approved Pool Manager.

26. DEKATHERM
1,000,000 BTU's (1 MMBTU) or ten (10) therms.

27. DELIVERY GAS DAY
A period of twenty-four (24) consecutive hours beginning and ending at 9:00 a.m. Central Clock Time.

28. DELIVERY POINT or POINT OF DELIVERY
(a) The point at the connection of the facilities of Transporter and of a downstream third party at which the gas leaves the outlet side of Transporter's measuring equipment and enters the downstream party's facilities, OR

TECHNICAL TERMS AND ABBREVIATIONS
(Continued)

(b) The point at the interconnection between the facilities of Company and a Customer (sales or transportation) at which the gas leaves the outlet side of Company's measuring equipment and enters the Customer's facilities.

29. DELIVERY POINT OPERATOR
Party that is responsible for balancing loads and allocating gas quantities received at Delivery Points to contracts under which deliveries to that point have been requested. For purposes of this tariff, the Florida Division is the Delivery Point Operator for all city gate stations located on its distribution system.

30. EFFICIENCY
A percentage expression of the available BTU input that is absorbed for useful purpose as applied to combustion equipment.

31. FIRM SERVICE
Gas service on a continuous basis without interruption or curtailment within the limitations of the Company's ability to serve.

32. FLOWING TEMPERATURE
The arithmetical average of the temperature of the gas flowing through the meters as recorded by a recording thermometer installed at the point of measurement. Where such installation is not provided, the flowing temperature of the gas shall be assumed to be sixty degrees Fahrenheit (60°F.).

33. GAS
Natural gas that is in conformance with the quality specifications of the Transporter.

34. GAS DAY
A period of twenty-four (24) consecutive hours beginning and ending at 9:00 a.m. Central Clock Time.

35. GAS MONTH
A period beginning at 9:00 a.m. Central Clock Time on the first day of a calendar month and ending at 9:00 a.m. Central Clock Time of the first day of the next succeeding calendar month.

TECHNICAL TERMS AND ABBREVIATIONS
(Continued)

36. GAS SERVICE
Sales and/or transportation of gas by the Company to a Customer pursuant to an application or service agreement of which there has been acceptance by the Company.

37. HEATING VALUE
The amount of heat measured in BTU per cubic foot that is produced when a unit quantity of gas is completely burned. For purposes herein the heating value shall be the BTU as measured by the interstate pipeline adjusted for pressure base.

38. MAINS
Pipes installed to transport gas within a service area to points of connection with the service pipes.

39. MAIN EXTENSION
Gas mains added to an existing distribution system to serve new customers.

40. MAXIMUM DAILY TRANSPORTATION QUANTITY ("MDTQ")
The maximum quantity of gas to be transported by Company for a Shipper on a daily basis in accordance with the provisions of a Transportation Service or Transportation Aggregation Agreement.

41. MCF
One thousand cubic feet.

42. METER
Any device or instrument used by the Company in measuring a quantity of gas.

43. METER READING DATE
The day upon which an authorized employee or agent of the Company reads the meter of a Customer.

44. METER TURN-ON CHARGE
An amount to be paid by Customer at initiation or restoration of gas service for unlocking the meter and lighting of gas appliances.

TECHNICAL TERMS AND ABBREVIATIONS
(Continued)

45. MONTH
The period between any two (2) regular readings of Company's meters at approximately thirty (30) day intervals.

46. NOMINATION
A request by a party to a producer, pipeline or local distribution company for receipt or delivery of a physical quantity of gas pursuant to a Transportation Service or Transportation Aggregation Agreement. A nomination specifies (I) the quantity of gas per day, measured in Dekatherms, to be received or delivered on behalf of the nominating party; (2) the point(s) at which the gas is to be received and delivered; and, (3) the period of time in which the delivery is to take place.

47. OPERATIONAL FLOW ORDER
Is an order issued to alleviate conditions, which threaten or could threaten the safe operations or system integrity of the Transporter or to maintain operations required to provide efficient and reliable firm service.

48. OPERATIONAL BALANCING ACCOUNT
The account in which a Shipper's daily imbalances between receipts and deliveries are recorded. Shippers on the Company's distribution system will be required to cashout the net imbalances in their operational balancing account at the end of each month.

49. POOL MANAGER
An entity that provides gas supply and interstate pipeline capacity management for an aggregated number of customers on the Company's distribution system, as further defined in the General Terms and Conditions for Transportation Aggregation Service.

50. RATE SCHEDULE
A statement of the Company's rates or charges for a specific classification of service, both sales and transportation.

51. RECEIPT GAS DAY
A period of twenty-four (24) consecutive hours beginning and ending at 9:00 a.m. Central Clock Time.

TECHNICAL TERMS AND ABBREVIATIONS
(Continued)

52. SHIPPER
Customer who has executed a Transportation Service Agreement or a Pool Manager who has executed a Transportation Aggregation Agreement with the Company and who has acquired capacity with a Transporter.

53. SPECIFIC GRAVITY
Specific gravity of the gas delivered shall be determined with an Edwards or other standard type gravity balance by test made as near the first of each month as practicable; or by a recording gravitometer of standard manufacture installed at a suitable location.

54. STANDARD DELIVERY PRESSURE
The standard delivery pressure is assumed to be seven inches (7") of water column, 14.98 psia, where the atmospheric pressure is assumed to be 14.73 psia. No adjustment will be made for variations from the normal atmospheric pressure at the Customer's meter. Gas delivered at standard delivery pressure may vary from three inches (3") to two pounds (2 lbs.) of water column.

55. SUBMETERING
The remetering of gas purchased by a Customer for distribution to the Customer's tenants through Customer-owned or rented meters.

56. SUPERCOMPRESSIBILITY FACTOR
The multiplier used to correct the metered volume of natural gas for deviation from Boyle's law and varies according to the pressure, temperature and specific gravity. Where this factor is applied to measured volumes that are computed to base conditions, these volumes are greater than that obtained by the strict application of the ideal gas laws. The factor is obtained from the supercompressibility tables published in the American Gas Association Gas Measurement Committee Report No. 3, as amended from time to time.

57. SUPPLIER
Any entity from which the Company or its Customers obtains its gas supply.

58. THERM
A unit of heating value equivalent to one hundred thousand (100,000) British Thermal Units.

TECHNICAL TERMS AND ABBREVIATIONS
(Continued)

59. TRANSPORTATION AGGREGATION AGREEMENT
A contract between the Company and a Pool Manager which defines the terms and conditions under which the Pool Manager's customers receive Transportation Service from the Company.

60. TRANSPORTATION AGGREGATION SERVICE
That service which is offered by the Company in which volumes nominated by a Pool Manager under a Transportation Aggregation Agreement are received from the Transporter and delivered to the Pool Manager's customers.

61. TRANSPORTATION SERVICE
That service which is offered by the Company in which volumes nominated by a Shipper under a Transportation Service Agreement are received from the Transporter and delivered to the Shipper's facility.

62. TRANSPORTATION SERVICE AGREEMENT
A contract between the Company and a Shipper which defines the terms and conditions under which the Shipper receives Transportation Service from the Company.

63. TRANSPORTER
Any pipeline that delivers gas to Company's city gate facilities.

64. UNAUTHORIZED OVERRUN
The volume of natural gas that a Shipper or Shipper's customers consumes during the Month in excess of the volumes scheduled for the Month by the Shipper for delivery.

65. UNAUTHORIZED UNDERRUN
The volume of natural gas that a Shipper schedules in excess of the actual volume of gas actually consumed by the Shipper or Shipper's customers during the Month.

66. WORKING DAY
Any day on which the utility's business office is open and the U.S. mail is delivered.

TECHNICAL TERMS AND ABBREVIATIONS
(Continued)

67. YEAR

A period of three hundred and sixty-five (365) consecutive days except that in a year having a date of February twenty-nine (29), such year shall consist of three hundred sixty-six (366) consecutive days.

68. ABBREVIATIONS

AGA	American Gas Association
BTU	British Thermal Unit
CCF	One Hundred (100) Cubic Feet
Cu. Ft.	Cubic Feet
Cu. Ft./Hr.	Cubic Feet Per Hour
°C	Degree Centigrade
°F	Degree Fahrenheit
FERC	Federal Energy Regulatory Commission
FPSC	Florida Public Service Commission
C	Commercial
I	Industrial
LDC	Local Distribution Company
MCF	1,000 Cubic Feet
OSSS	Off-System Sales Service
OSSSA	Off-System Sales Service Agreement
psi	Pounds per square inch
psia	Pounds per square inch absolute
psig	Pounds per square inch gauge
TSA	Transportation Service Agreement

CLASSIFICATION OF CUSTOMERS

1. RESIDENTIAL CUSTOMERS

Applies to customers purchasing natural gas from the Company for use in a single family dwelling or building, or in an individual flat, apartment or condominium unit in a multiple family dwelling or building or portion thereof occupied as the home, residence or sleeping place of one or more persons. Also applies to natural gas used in commonly owned facilities of condominium associations, cooperative apartments and homeowner associations subject to the following criteria:

1. 100% of the natural gas is used exclusively for the co-owners benefit.
2. None of the natural gas is used in any endeavor which sells or rents a commodity or provides a service for a fee or otherwise engages in a commercial or industrial enterprise.
3. Each point of delivery is separately metered and billed.
4. A responsible legal entity is established as the customer to whom the Company can render its bills for said service.

2. COMMERCIAL CUSTOMERS

Applies to customers engaged in selling, warehousing or distributing a commodity, product or service in some business activity or in a profession, or in some other form of economic or social activity (offices, stores, clubs, hotels, etc.) and to service that does not directly fall under on of the other customer types.

3. INDUSTRIAL CUSTOMERS

Applies to customers engaged in a process which creates a product or changes raw or unfinished materials into another form of product, or which involves the extraction of a raw material from the earth (factories, mills, distilleries, machine shops, wells, refineries, plants, etc.).

CLASSIFICATION OF CUSTOMERS
(Continued)

4. ALTERNATE FUEL CUSTOMERS

Applies to any Commercial or Industrial Customer whose annual metered gas volume exceeds 100,000 therms, and who has the continuing capability to utilize an alternate fuel which displaces natural gas sold or transported by the Company. Alternate Fuel Customers shall, by a contract in writing, provide from time to time, sufficient evidence of the alternate fuel price to warrant an adjustment in the Company's base energy charge for the Rate Schedule under which the customer receives natural gas service. In all cases where continuous operation of a customer's facilities is necessary, the Alternate Fuel Customer shall, continuously maintain the capability to utilize a supply of alternate fuel of sufficient capability to allow the curtailment of natural gas without adversely impacting the customer's operation.

5. INTERRUPTIBLE CUSTOMERS

At the sole option of the Company, a customer without alternate fuel capabilities whose annual metered gas volume exceeds 100,000 therms, and who, by a contract in writing, agrees to interrupt their natural gas supply and discontinue operations to the benefit of other distribution system customers in the event a curtailment is required, may be designated an Interruptible Customer. Such customers may be deemed eligible to receive service under the Company's Special Contract provisions.

CLASSIFICATION OF SERVICE
(Continued)

Service Classification: 0 – 300 Annual Therms

Applicability

Residential, Commercial or Industrial customers whose metered consumption is 300 therms per year or less.

Service Options

1. General Sales Service: Rate Schedule GS-1

2. Aggregated Transportation Service: Rate Schedule TS -1

Terms and Conditions of Service

1. Gas service provided to customers in this Class of Service shall be subject to the General Terms and Conditions set forth in this tariff, and other approved rules or regulations of the Company as applicable.

Service Classification: 300 – 3,000 Annual Therms

Applicability

Residential, Commercial or Industrial customers whose metered consumption is greater than 300 therms per year up to 3,000 therms per year.

Service Options

1. General Sales Service: Rate Schedule GS-2

2. Aggregated Transportation Service: Rate Schedule TS -2

Terms and Conditions of Service

1. Gas service provided to customers in this Class of Service shall be subject to the General Terms and Conditions set forth in this tariff, and other approved rules or regulations of the Company as applicable.

CLASSIFICATION OF SERVICE
(Continued)

Service Classification: 3,000 – 10,000 Annual Therms

Applicability

Residential, Commercial or Industrial customers whose metered consumption is greater than 3,000 therms up to 10,000 therms per year.

Service Options

1. General Sales Service: Rate Schedule GS-3

2. Aggregated Transportation Service: Rate Schedule TS-3

Terms and Conditions of Service

1. Gas service provided to customers in this Class of Service shall be subject to the General Terms and Conditions set forth in this tariff, and other approved rules or regulations of the Company as applicable.

Service Classification: 10,000 – 25,000 Annual Therms

Applicability

Commercial or Industrial customers whose metered consumption is greater than 10,000 therms up to 25,000 therms per year.

Service Options

1. General Sales Service: Rate Schedule GS-4

2. Aggregated Transportation Service: Rate Schedule TS-4

Terms and Conditions of Service

1. Gas service provided to customers in this Class of Service shall be subject to the General Terms and Conditions set forth in this tariff, and other approved rules or regulations of the Company as applicable.

CLASSIFICATION OF SERVICE
(Continued)

Service Classification: 25,000 – 50,000 Annual Therms

Applicability

Commercial or Industrial customers whose metered consumption is greater than 25,000 therms up to 50,000 therms per year.

Service Options

1. General Sales Service: Rate Schedule GS-5

2. Aggregated Transportation Service: Rate Schedule TS-5

Terms and Conditions of Service

1. Gas service provided to customers in this Class of Service shall be subject to the General Terms and Conditions set forth in this tariff, and other approved rules or regulations of the Company as applicable.

Service Classification: 50,000 – 100,000 Annual Therms

Applicability

Commercial or Industrial customers whose metered consumption is greater than 50,000 therms up to 100,000 therms per year.

Service Options

1. General Sales Service: Rate Schedule GS-6

2. Aggregated Transportation Service: Rate Schedule TS-6

Terms and Conditions of Service

1. Gas service provided to customers in this Class of Service shall be subject to the General Terms and Conditions set forth in this tariff, and other approved rules or regulations of the Company as applicable.

CLASSIFICATION OF SERVICE
(Continued)

Service Classification: 100,000 – 500,000 Annual Therms

Applicability

Commercial or Industrial customers whose metered consumption is greater than 100,000 therms up to 500,000 therms per year.

Service Options

1. General Sales Service:	Rate Schedule GS-7
2. Contract Sales Service:	Rider CSS
3. Aggregated Transportation Service:	Rate Schedule TS-7
4. Transportation Service:	Rate Schedule TS-7
5. Contract Transportation Service:	Rider CTS

Terms and Conditions of Service

1. Gas service provided to customers in this Class of Service shall be subject to the General Terms and Conditions set forth in this tariff, and other approved rules or regulations of the Company as applicable.

CLASSIFICATION OF SERVICE
(Continued)

Service Classification: 500,000 – 1,000,000 Annual Therms

Applicability

Commercial or Industrial customers whose metered consumption is greater than 500,000 therms up to 1,000,000 therms per year.

Service Options

1. General Sales Service: Rate Schedule GS-8
2. Contract Sales Service: Rider CSS
3. Aggregated Transportation Service: Rate Schedule TS-8
4. Transportation Service: Rate Schedule TS-8
5. Contract Transportation Service: Rider CTS

Terms and Conditions of Service

1. Gas service provided to customers in this Class of Service shall be subject to the general Terms and Conditions set forth in this tariff, and other approved rules or regulations of the Company as applicable,

CLASSIFICATION OF SERVICE
(Continued)

Service Classification: Greater than 1,000,000 Annual Therms

Applicability

Commercial or Industrial customers whose metered consumption is greater than 1,000,000 therms per year.

Service Options

1.	General Sales Service:	Rate Schedule GS-9
2.	Contract Sales Service:	Rider CSS
3.	Aggregated Transportation Service:	Rate Schedule TS-9
4.	Transportation Service:	Rate Schedule TS-9
5.	Contract Transportation Service:	Rider CTS

Terms and Conditions of Service

1. Gas service provided to customers in this Class of Service shall be subject to the general Terms and Conditions set forth in this tariff, and other approved rules or regulations of the Company as applicable.

SERVICE OPTIONS

1. GENERAL SALES SERVICE

All Customer Classifications at all Service Classification levels may elect the General Sales Service option. Customer's served under a General Sales Service (GS) Rate Schedule will purchase natural gas directly from the Company.

2. CONTRACT SALES SERVICE

Alternate Fuel Customers (metered gas volume over 100,000 annual therms) may elect to enter into a contract to purchase natural gas directly from the Company for a period of not less than one-year. The energy charge for this service option shall be subject to the Company's flexible pricing mechanism. It is the intention of the Company that the energy charge be determined based upon the competitive pricing of the customer's alternate fuel. In establishing the customer's energy charge, the Company may analyze: the cost of gas available to the customer; the delivered price of the customer's alternate fuel; the availability of such fuel; and the nature of the customers operations. The Company may from time to time increase or reduce the energy charge as it deems necessary or appropriate to compete with alternate fuel, but shall have no obligation to do so. Contract Sales Service shall be provided in accordance with the terms and conditions contained in Rider CSS, Sheet Nos. 59 to 61.

3. AGGREGATED TRANSPORTATION SERVICE

All Customer Classifications in all Service Classifications, except Residential Customers and customers served under the Flexible Gas Service rate schedules or under a Special Contract, may elect to transport customer owned gas on the Company's distribution system as part of an aggregated Customer Pool. Aggregated transportation service is the only transportation option available to Commercial and Industrial Customers whose annual metered gas volume is less than 100,000 therms. Aggregated Transportation Service shall be provided in accordance with Section 17, General Terms and Conditions, Sheet Nos. 103 to 115.

SERVICE OPTIONS
(Continued)

4. TRANSPORTATION SERVICE

All Customer Classifications in all Service Classifications, except Residential Customers, whose annual metered gas volume exceeds 100,000 therms, may elect to individually transport customer owned gas on the Company's distribution system. Transportation Service shall be provided in accordance with Section 17, General Terms and Conditions, Sheet Nos. 103 to 115.

5. CONTRACT TRANSPORTATION SERVICE

Alternate Fuel Customers (metered gas volume over 100,000 annual therms) may elect to purchase natural gas from a supplier other than the Company and arrange for the transportation of said natural gas on the interstate pipeline for delivery into the Company's distribution system. Customers electing this service option must enter into a contract with the Company to transport customer owned gas on the Company's distribution system for a period of not less than one year. The transportation charge for this service option shall be subject to the Company's flexible pricing mechanism. It is the intention of the Company that the transportation charge be determined based upon the competitive pricing of the customer's alternate fuel. In establishing the customer's transportation charge, the Company may analyze: the cost of gas available to the customer; the delivered price of the customer's alternate fuel; the availability of such fuel; and the nature of the customer's operations. The Company may from time to time increase or reduce the transportation charge as it deems necessary or appropriate to compete with alternate fuel, but shall have no obligation to do so. Contract Transportation Service shall be provided in accordance with Section 17, General Terms and Conditions, Sheet Nos. 103 to 115, and Rider CTS, Sheet Nos. 62 to 65.

SERVICE OPTIONS
(Continued)

6. FLEXIBLE GAS SERVICE

At the sole option of the Company, service agreements with terms and conditions other than those set forth in the Company's tariff, may be executed with customers demonstrating viable alternate fuel options. Under this service option, the Company assumes the investment risk of serving the customer in return for the option to establish rates, capital repayment, length of service, operating conditions, etc. outside the normal regulatory process. Flexible Gas Service customers must not cause any additional cost to the Company's other customer.

7. SPECIAL CONTRACTS

Any non-residential customer who, at the sole option of the Company, and with the approval of the Commission, receives general sales or transportation service from the Company under written contractual terms and conditions other than those set forth in the Company's approved tariff.

8. LOAD PROFILE ENHANCEMENT SERVICE

Residential and commercial customers served under Rate Schedules GS-1/TS-1 through GS-6/TS-6, adding separately metered incremental gas volumes consumed during the months of April through October may elect the rate discount available under Rider LE, Sheet Nos. 57 to 58.

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GENERAL SALES SERVICE-1
Rate Schedule GS-1

Availability:

Throughout the service area of the Company.

Applicability:

Residential, commercial or industrial customers purchasing natural gas directly from the Company whose annual metered gas volume is 0 therms up to 300 therms.

Monthly Rate:

Customer Charge:	$15.00
Energy Charge:	$0.10220 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

TRANSPORTATION SERVICE-1
Rate Schedule TS-1

Availability:

Throughout the service area of the Company.

Applicability:

Aggregated transportation service available to Commercial and Industrial customers whose annual metered transportation volume is 0 therms up to 300 therms.

Monthly Rate:

Customer Charge:	$20.00
Energy Charge:	$0.10220 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

GENERAL SALES SERVICE-2
Rate Schedule GS-2

Availability:

Throughout the service area of the Company.

Applicability:

Residential, commercial or industrial customers purchasing natural gas directly from the Company whose annual metered gas volume is greater than 300 therms up to 3,000 therms.

Monthly Rate:

Customer Charge:	$22.50
Energy Charge:	$0.20038 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

TRANSPORTATION SERVICE-2
Rate Schedule TS-2

Availability:

Throughout the service area of the Company.

Applicability:

Aggregated transportation service available to Commercial and Industrial customers whose annual metered transportation volume is greater than 300 therms up to 3,000 therms.

Monthly Rate:

Customer Charge:	$32.50
Energy Charge:	$0.20038 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

GENERAL SALES SERVICE-3
Rate Schedule GS-3

Availability:

Throughout the service area of the Company.

Applicability:

Residential, commercial or industrial customers purchasing natural gas directly from the Company whose annual metered gas volume is greater than 3,000 therms up to 10,000 therms.

Monthly Rate:

Customer Charge:	$32.50
Energy Charge:	$0.29273 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

TRANSPORTATION SERVICE-3
Rate Schedule TS-3

Availability:

Throughout the service area of the Company.

Applicability:

Aggregated transportation service available to Commercial and Industrial customers whose annual metered transportation volume is greater than 3,000 therms up to 10,000 therms.

Monthly Rate:

Customer Charge:	$42.50
Energy Charge:	$0.29273 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

GENERAL SALES SERVICE-4
Rate Schedule GS-4

Availability:

Throughout the service area of the Company.

Applicability:

Commercial or industrial customers purchasing natural gas directly from the Company whose annual metered gas volume is greater than 10,000 therms up to 25,000 therms.

Monthly Rate:

Customer Charge:	$40.00
Energy Charge:	$0.24908 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

TRANSPORTATION SERVICE-4
Rate Schedule TS-4

Availability:

Throughout the service area of the Company.

Applicability:

Aggregated transportation service available to Commercial and Industrial customers whose annual metered transportation volume is greater than 10,000 therms up to 25,000 therms.

Monthly Rate:

Customer Charge:	$55.00
Energy Charge:	$0.24908 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

GENERAL SALES SERVICE-5
Rate Schedule GS-5

Availability:

Throughout the service area of the Company.

Applicability:

Commercial or industrial customers purchasing natural gas directly from the Company whose annual metered gas volume is greater than 25,000 therms up to 50,000 therms.

Monthly Rate:

Customer Charge:	$100.00
Energy Charge:	$0.19843 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

TRANSPORTATION SERVICE-5
Rate Schedule TS-5

Availability:

Throughout the service area of the Company.

Applicability:

Aggregated transportation service available to Commercial and Industrial customers whose annual metered transportation volume is greater than 25,000 therms up to 50,000 therms.

Monthly Rate:

Customer Charge:	$125.00
Energy Charge:	$0.19843 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

GENERAL SALES SERVICE-6
Rate Schedule GS-6

Availability:

Throughout the service area of the Company.

Applicability:

Commercial or industrial customers purchasing natural gas directly from the Company whose annual metered gas volume is greater than 50,000 therms up to 100,000 therms.

Monthly Rate:

Customer Charge:	$175.00
Energy Charge:	$0.16326 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment sales under this rate schedule shall be billed at rates stated herein.

TRANSPORTATION SERVICE-6
Rate Schedule TS-6

Availability:

Throughout the service area of the Company.

Applicability:

Aggregated transportation service available to Commercial and Industrial customers whose annual metered transportation volume is greater than 50,000 therms up to 100,000 therms.

Monthly Rate:

Customer Charge:	$200.00
Energy Charge:	$0.16326 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

GENERAL SALES SERVICE-7
Rate Schedule GS-7

Availability:

Throughout the service area of the Company.

Applicability:

Commercial or industrial customers purchasing natural gas directly from the Company whose annual metered gas volume is greater than 100,000 therms up to 500,000 therms.

Monthly Rate:

Customer Charge:	$250.00
Energy Charge:	$0.10627 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

TRANSPORTATION SERVICE-7
Rate Schedule TS-7

Availability:

Throughout the service area of the Company.

Applicability:

Transportation service available to Commercial and Industrial customers whose annual metered transportation volume is greater than 100,000 therms up to 500,000 therms.

Monthly Rate:

Customer Charge:	$300.00
Energy Charge:	$0.10627 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

GENERAL SALES SERVICE-8
Rate Schedule GS-8

Availability:

Throughout the service area of the Company.

Applicability:

Commercial or industrial customers purchasing natural gas directly from the Company whose annual metered gas volume is greater than 500,000 therms up to 1,000,000 therms.

Monthly Rate:

Customer Charge:	$350.00
Energy Charge:	$0.09675 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

TRANSPORTATION SERVICE-8
Rate Schedule TS-8

Availability:

Throughout the service area of the Company.

Applicability:

Transportation service available to Commercial and Industrial customers whose annual metered transportation volume is greater than 500,000 therms up to 1,000,000 therms.

Monthly Rate:

Customer Charge:	$500.00
Energy Charge:	$0.09675 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

GENERAL SALES SERVICE-9
Rate Schedule GS-9

Availability:

Throughout the service area of the Company.

Applicability:

Commercial or industrial customers purchasing natural gas directly from the Company whose annual metered gas volume is greater than 1,000,000 therms.

Monthly Rate:

Customer Charge:	$500.00
Energy Charge:	$0.08287 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

TRANSPORTATION SERVICE-9
Rate Schedule TS-9

Availability:

Throughout the service area of the Company.

Applicability:

Transportation service available to Commercial and Industrial customers whose annual metered transportation volume is greater than 1,000,000 therms.

Monthly Rate:

Customer Charge:	$700.00
Energy Charge:	$0.08287 per therm
Minimum Bill:	The customer charge.

Billing Adjustments:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos. 74 – 80.

2. If the Company agrees to provide the necessary natural gas conversion equipment, an agreement as to terms and conditions governing recovery of such conversion costs from the customer may be entered into and the initial contract term of gas service shall at a minimum be the same as the period of recovery stated in the agreement. Further, the rates established in the monthly rate section, may be adjusted to provide for recovery by the Company of the costs incurred including carrying cost at the Company's overall cost of capital, in providing such natural gas conversion equipment. At such time as the Company has recovered its costs of providing the natural gas conversion equipment, sales under this rate schedule shall be billed at rates stated herein.

LOAD PROFILE ENHANCEMENT RIDER
Rider LE

Availability:

Service hereunder is available, in all of the Company's service area, to any residential or commercial customer who would otherwise qualify for service under Rate Schedules GS-1, TS-1, GS-2, TS-2, GS-3, TS-3, GS-4, TS-4, GS-5, TS-5, GS-6, and TS-6.

Applicability:

Service under this Rider LE is applicable, at the request of the Customer, to incremental consumption, as defined below, during the months of April through October to customers served under the applicable Rate Schedules. This rider shall be applicable prospectively beginning on the date approved by the Commission, for service commencing on or after the Origination Date. An existing Customer which is served under an applicable Rate Schedule must satisfy two conditions to be eligible for Rider LE on or after the Origination Date; (a) the Customer must add incremental gas consumption, as defined below, after the Origination Date, and (b) the portion of the incremental consumption taken during the April through October period must equal at least two (2) times the portion of the incremental consumption taken during the November through March period. A party which is not a customer of the Company on the Origination Date shall be eligible for Rider LE after the Origination Date if its total projected gas consumption during the April through October period is at least two (2) times its total projected gas consumption for the November through March period. The Company will review a Customer's actual consumption history at the end of each calendar year to determine if the Customer is eligible for Rider LE for the next calendar year.

Rates:

Customer Charge:	As set forth in the otherwise applicable rate schedule. There is not an additional Customer Charge for this Rider LE.
Non-Fuel:	Fifty (50) percent of the Non-Fuel charge set forth in the otherwise applicable rate schedule for all incremental therms consumed during the months of April through October only.

LOAD PROFILE ENHANCEMENT RIDER
Rider LE
(Continued)

Special Conditions:

1. Service by the Company pursuant to this Rider LE will be initiated only if requested by Customer, and the rates provided herein shall be applicable prospectively from the time service hereunder is initiated by the Company.

2. Company will require that Customer's incremental consumption be separately metered.

3. The above rates shall apply only to the Customer's incremental consumption during the months of April through October.

4. For the purposes of this rider:

   (A) "Incremental consumption" shall mean all therms consumed by the Customer in excess of the Customer's Base Load Quantity.

   (B) "Base Load Quantity" shall mean the total therms of gas consumed by the Customer in the twelve-billing-month period prior to receiving service under Rider LE. If the Customer was not a customer for a full twelve-month period before receiving Rider LE, then the Customer's "Base Load Quantity" consumption will be the annualized equivalent of the actual consumption for such less than twelve-month period. Such annualized consumption shall equal the actual consumption divided by the number of months which the Customer was receiving service, times twelve (12).

   (C) "Origination Date" shall mean the first day of the first calendar month following Commission approval of this Rider LE.

5. For the purposes of Rider LE eligibility (see Applicability above), a change in the name or identity of the party receiving gas service at a given service location shall not result in such party being a new Customer if such service location was receiving gas service on the Origination Date.

CONTRACT SALES SERVICE
Rider CSS

Availability:

In all of the Company's service area.

Applicability:

To any alternate fuel sales customer who would otherwise qualify for service under Rate Schedule GS-7, GS-8 or GS-9, who contracts for service under this Rate Schedule for a minimum period of one year, provided that the Company has delivery capacity in excess of the then existing requirements of other customers receiving gas service and provided the Company has available from its supplier a quantity of gas to meet such customer's requirements.

Rates:

Customer Charge:
The monthly customer charge for contract sales service shall be the monthly customer charge applicable to the GS-7, GS-8 or GS-9 rate schedule under which the customer would otherwise qualify for service.

Energy Charge:
The energy charge for service hereunder shall be subject to a flexible pricing mechanism. It is the intention of Company that this charge shall be determined based upon competition with Customer's alternate fuel.

The energy charge to customer shall be determined by Company based upon Company's evaluation of competitive conditions. Such conditions may include, but are not necessarily limited to: the cost of gas which is available to serve customer; the delivered price of customer's designated alternate fuel; the availability of such fuel; and the nature of customer's operations. Company may from time to time increase or reduce the energy charge as it deems necessary or appropriate to compete with alternate fuel, but shall have no obligation to do so.

Unless changed by Company pursuant to this Rate Schedule, the base charge shall be the current applicable rate. The "currently applicable non-adjusted rate" as used herein means the energy charge prescribed in the GS-7, GS-8 or GS-9 rate schedule for which the customer would otherwise qualify for service.

CONTRACT SALES SERVICE
RIDER CSS
(Continued)

Customer may at any time request a reduction in its energy charge by completing the form which appears on Sheet Nos. 62 and 63 and submitting the same to Company. During any period in which the energy charge is less than base rate, customer shall complete and submit the same form with then current information as close as practicable to the first day of each month.

Company will notify customer immediately by telephone communication to be followed by written notification within 24 hours of any change in the energy charge under this Rate Schedule. The rate change shall be effective at 4:00 p.m. Eastern Daylight Time on the first day of the month for which the rate applies or at 4:00 p.m. Eastern Daylight Time on the day following notification to customer of a change in rates which may occur at any time during the billing month.

Notwithstanding the other provisions of this Rate Schedule, the Company may enter into a contract with an alternate fuel sales customer to provide service under terms other than those set forth herein; provided that the charges prescribed in any such contract shall be established with the objective of enabling the Company to recover at a minimum the fully allocated cost of serving that customer. Any such contract shall be subject to approval by the Florida Public Service Commission, and the Commission shall have continuing jurisdiction over the rates charged therein.

Terms and Conditions of Service:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos.

2. Service under this Rate Schedule is subject to the General Rules and Regulations of the Company applicable to gas service.

3. The customer will submit a "first of the month" nomination for estimated gas consumption to the Company by the 10th day of the month preceding the month for which it requests gas service. A final nomination for gas consumption will be submitted by the 20th day of the preceding month. The Company will confirm the final nomination to the customer by the last working day of the preceding month.

CONTRACT SALES SERVICE
RIDER CSS
(Continued)

4. Nominations after the first of the month (intra-month) will require 48 hours notice to and confirmation from the Company before using gas.

5. Any additional charges incurred by the Company due to intra-month nominations shall be passed through to the customer making such nominations as over-run charges and credited to the purchased gas cost in the month during which the intr-month nomination occurs.

6. Alternate Fuel Certification:
The customer shall certify that its cost of alternate fuel is less than the delivered cost of gas received under Company's Transportation Service. Determination of customer's cost of alternate fuel shall be based on information set forth in Company's Form AFA (set forth on Sheet Nos. 66 and 67). Once a customer has submitted such form, and the same has been accepted by the Company, the customer shall resubmit such form, with then current information, on the first day of each month thereafter, and at any time there is any change in any information contained in a form previously submitted. The monthly rate for a customer who submits no Form AFA to Company, or who fails to submit such form (properly completed) as required hereunder, or whose completed form if not accepted by Company, shall be the currently applicable non-adjusted rate.

CONTRACT TRANSPORTATION SERVICE
Rider CTS

Availability:
In all of the Company's service area.

Applicability:
To any alternate fuel customer who enters into a Transportation Service Agreement with the Company, for a minimum term of one year, and who would otherwise qualify for service under Rate Schedule TS-7, TS-8 or TS-9. Service under this Rider shall be subject to: (a) the special conditions set forth in this Rider, (b) the provisions of the Transportation Service Agreement between the Company and the customer and, (c) the customer's ability to arrange sufficient transportation service by transporter(s).

Rates:

Customer Charge:
The monthly customer charge for contract transportation service shall be the monthly customer charge applicable to the TS-7, TS-8 or TS-9 rate schedule under which the customer would otherwise qualify for service.

Transportation Charge:
The transportation charge for service hereunder shall be subject to a flexible pricing mechanism. It is the intention of Company that this charge shall be determined based upon competition with Customer's alternate fuel.

The transportation charge to customer shall be determined by Company based upon Company's evaluation of competitive conditions. Such conditions may include, but are not necessarily limited to: the cost of gas which is available to serve customer; the delivered price of customer's designated alternate fuel; the availability of such fuel; and the nature of customer's operations. Company may from time to time increase or reduce the transportation charge as it deems necessary or appropriate to compete with alternate fuel, but shall have no obligation to do so.

Unless changed by Company pursuant to this Rate Schedule, the base charge shall be the current applicable rate. The "currently applicable non-adjusted rate" as used herein means the transportation charge prescribed in the TS-7, TS-8 or TS-9 rate schedule for which the customer would otherwise qualify for service.

CONTRACT TRANSPORTATION SERVICE
Rider CTS
(Continued)

Customer may at any time request a reduction in its transportation charge by completing the Form AFA which appears on Sheet Nos. 66 and 67 and submitting the same to Company. During any period in which the transportation charge is less than base rate, customer shall complete and submit the same form with then current information as close as practicable to the first day of each month.

Company will notify customer immediately by telephone communication to be followed by written notification within 24 hours of any change in the transportation charge under this Rate Schedule. The rate change shall be effective at 4:00 p.m. Eastern Daylight Time on the first day of the month for which the rate applies or at 4:00 p.m. Eastern Daylight Time on the day following notification to customer of a change in rates which may occur at any time during the billing month.

Notwithstanding the other provisions of this Rate Schedule, the Company may enter into a contract with an alternate fuel transportation customer to provide service under terms other than those set forth herein; provided that the charges prescribed in any such contract shall be established with the objective of enabling the Company to recover at a minimum the fully allocated cost of serving that customer. Any such contract shall be subject to approval by the Florida Public Service Commission, and the Commission shall have continuing jurisdiction over the rates charged therein.

Company will notify customer immediately by telephone communication to be followed by written notification within 24 hours of any change in the transportation charge under this Rate Schedule. The rate change shall be effective at 4:00 PM Eastern Daylight Time on the first day of the month for which the rate applies or at 4:00 PM Eastern Daylight Time on the day following notification to customer of a change in rates which may occur at any time during the billing month.

Terms and Conditions of Service:

1. The above rates shall be subject to the applicable Billing Adjustments set forth on Sheet Nos.

2. Service under this Rate Schedule is subject to the General Rules and Regulations of the Company applicable to gas service.

CONTRACT TRANSPORTATION SERVICE
Rider CTS
(Continued)

3. Customer bears sole responsibility for all costs incurred up to the designated point of delivery on Company's system.

4 Service under this schedule shall be subject to the terms and conditions of the Transportation Service Agreement (TSA) between the Company and the customer and, unless otherwise indicated herein or in the TSA, to the General Rules and Regulations set forth in this tariff.

5. Customer will notify the Company of its "first of the month" nomination to transporter eight business days prior to the first of the month.

5. Customer will notify the Company of any intra-month nominations to transporter at least twenty-four (24) hours before the effective date of such nominations.

6. Alternate Fuel Certification:
The customer shall certify that its cost of alternate fuel is less than the delivered cost of gas received under Company's Transportation Service. Determination of customer's cost of alternate fuel shall be based on information set forth in Company's Form AFA (set forth on Sheet Nos. 66 and 67). Once a customer has submitted such form, and the same has been accepted by the Company, the customer shall resubmit such form, with then current information, on the first day of each month thereafter, and at any time there is any change in any information contained in a form previously submitted. The monthly rate for a customer who submits no Form AFA to Company, or who fails to submit such form (properly completed) as required hereunder, or whose completed form if not accepted by Company, shall be the currently applicable non-adjusted rate.

7. Transportation service rendered under this Rate Schedule may be curtailed or fully interrupted at the sole discretion of the Company in accordance with the Transportation Service Agreement and the provisions of the Curtailment Plan. The Company assumes no liability for any loss or damage that may be sustained by customer by reason of any curtailment or interruption of gas service rendered under this Rate Schedule. During such interruptions the Company may, at its option, utilize customer's gas for system supply and issue a credit to the customer during the next

ALTERNATE FUEL AFFIDAVIT
Form AFA

TO: CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
P. O. Box 960
Winter Haven, FL 33882-0960
Attention:

___(Name of Customer_____ has received a firm offer from ___(Customer's Fuel Supplier)__ for our purchase of up to_____units of (Specific Alternate Fuel)__ for use by us at our facility located at _____, Florida, delivery to commence on _(Date)_, at a price of $_____ per _____ .

Copy of the offer, which will expire _____ is attached hereto.

Taxes payable by us should we purchase the referenced fuel pursuant to the attached offer, would be $_____ per _____.

Transportation costs for delivery of the fuel to our facility at___(Location)__ from _____ (Location)_ would be $____per _____.

I hereby certify on behalf of __(Name of Customer)__ that the foregoing information is true, complete and correct, and that __(Name of Customer)___has the facilities to utilize the fuel specified above in the amount specified above at its _(Location)__ facility.

ALTERNATE FUEL AFFIDAVIT
Form AFA
(Continued)

I hereby certify that __(Name of Customer)__ will cease taking gas from Florida Division on __(Date)__ unless such gas is priced at less than $._____ per therm as provided in Florida Division's Rate Schedule _____.

_____
(Customer Name)

By:

_____
(Signature of Corporate Officer)

_____
(Title)

STATE OF _____

COUNTY OF _____

SWORN TO AND SUBSCRIBED before me this _____ day of _____, 19___.

My commission expires:_____

Notary Public

OFF-SYSTEM SALES SERVICE
Rate Schedule OSSS

Availability:

In all of the Company's service area, and of any interstate or intrastate natural gas pipeline (Transporter) serving the Company when Company has availability of capacity and supply.

Applicability:

(1) Gas delivered by Company through the facilities of Transporter, using Company's transportation capacity rights on such Transporter, to any party on Transporter's system that is not connected to Company's distribution system.

(2) Gas delivered to any natural gas local distribution company directly interconnected with the Company.

Rates:

Customer Charge: None

Transaction Charge: $100.00 per transaction

Energy Charge:

For all Scheduled Quantities (as such term is defined in Special Condition 5 below), the Energy Charge per therm shall be established by agreement between Company and Customer prior to each transaction pursuant to this rate schedule.

The Energy Charge for service pursuant to this rate schedule shall be determined by Company based upon Company's evaluation of competitive conditions. Such conditions may include, but are not necessarily limited to: the cost of gas which is available to service Customer: the delivered price and availability of Customer's designated alternate fuel; and the nature of Customer's operations (such as load factor, fuel efficiency, alternate fuel capacity, etc.). Company may from time to time increase or reduce the Energy Charge as it deems necessary or appropriate to meet competition or remain competitive, but shall have not an obligation to do so.

The Energy Charge per therm shall include, at a minimum, the cost per therm of the gas delivered to Customer pursuant to this rate schedule, including all variable costs incurred by Company for (or in connection with) Pipeline transportation and all applicable taxes. Company's Purchase Gas Cost Recovery Adjustment Clause,

OFF-SYSTEM SALES SERVICE
Rate Schedule OSSS
(Continued)

Energy Conservation Cost Recovery Clause, General Service Rate Adjustment and Transportation Cost Recovery Clause shall not apply to purchases of gas made by Customer pursuant to this rate schedule.

Terms and Conditions:

1. The rates set forth above shall be subject to the Company's billing adjustments set forth on Sheet Nos. 74 to 80, except as specifically excluded above.

2. Service under this rate schedule shall be subject to (a) the terms and conditions of the Off-System Sales Service Agreement (OSSSA)_between the Company and the Customer (b) the conditions set forth in this rate schedule, and (c) except as modified by the provisions set forth above, to the General Rules and Regulations set forth in this tariff.

3. Amounts payable to Company pursuant to this rate schedule shall be subject to the operation of the Company's Taxes and Other Adjustments set forth on Sheet No.80.

4. Disposition of Net Revenues and Transaction Charges. For purposes of this paragraph 3 "net revenues" shall equal the difference between the Energy Charge and the cost of gas delivered to Customer inclusive of all taxes and adjustments.

5. Interruption and Curtailment. Neither Customer nor Company shall have any obligation to the other for any specific minimum quantity of gas or pipeline capacity on any day or during any month, and deliveries pursuant to this rate schedule shall be subject to curtailment or interruption at any time at the sole discretion of Company.

   Any gas taken in excess of the volume allocated to Customer in an interruption or curtailment order shall be considered to be unauthorized overrun gas subject to the cash-out provisions as defined in the Billing Adjustment section of this tariff.

OFF-SYSTEM SALES SERVICE
Rate Schedule OSSS
(Continued)

6. For each day on which customer desires to receive service pursuant to this rate schedule, Customer shall provide a nomination to Company specifying the quantity of gas it desires to receive at the specified point of delivery pursuant to the OSSSA. Following receipt of a timely and complete nomination from Customer, Company will confirm the quantities of gas to be made available for delivery to Customer at such point of delivery. Quantities confirmed by Company for delivery shall be "Scheduled Quantities."

7. The point of delivery for all gas sold pursuant to this rate schedule shall be the delivery point of the delivering Pipeline specified by Customer.

8. Except as modified by the provisions set forth above, service under this rate schedule shall be subject to the Rules and Regulations set forth in this tariff.

9. The point of delivery for all gas sold pursuant to this rate schedule shall be either the delivery point of the delivering pipeline (Transporter) specified by Customer if Customer is not directly interconnected with Company or the interconnection between Company and Customer's facilities if Customer is a local distribution company directly connected to Company.

10. When applicable, the availability of this service is contingent upon acceptance by Transporter to deliver at alternate delivery points and upon appropriate operating conditions existing on Transporter.

FLEXIBLE GAS SERVICE
Rate Schedule FGS

OBJECTIVE

The objective of this service classification is to enable the Company the opportunity to compete in markets where natural gas service is not a monopoly service. It is designed to increase load by working with customers with regard to the specific terms and conditions of service. Although the primary purpose of the flexible gas service schedule is to attract new customers, the Company shall not be precluded from using the schedule to keep existing customers from leaving its system.

To the extent that the Company enters into flexible gas service agreements with customers, the Company is at risk for the capital investment necessary to serve the flexible gas service tariff customers, not the general body of ratepayers.

APPLICABILITY

This service is available at the Company's option to customer(s) meeting the applicability standards, which include (1) the customer must provide the Company with a viable economic energy alternative including verifiable documentation of customer alternative and (2) the Company must demonstrate that this customer will not cause any additional cost to the Company's other rate classes. The Company is under no obligation to grant service under this tariff. Absent a service agreement with the Company under this rate schedule, customers are under no obligation to accept service under this rate schedule, and may elect to receive service under other applicable tariff rate schedules.

Terms of service under this rate schedule, including pressure, capital repayment, operating conditions and length of service are separately set forth in individual agreements between the Company and the Customers.

MONTHLY RATE

The rate will be developed based on economic market conditions at the time gas service is requested. The rate shall not be set lower than the incremental cost the Company incurs to serve the Customer.

FLEXIBLE GAS SERVICE
(Continued)

CONFIDENTIALITY

The Company and Customer each regard the terms and conditions of the negotiated service agreement as confidential, proprietary business information.

The Company and Customer agree to utilize all reasonable and available measures to guard the confidentiality of said information, subject to the requirements of courts and agencies having jurisdiction hereof.

In the event either party is asked to provide the information by such a court or agency, it will promptly inform the other of the request, and will cooperate in defending and maintaining the confidentiality of the information.

This provision shall not prohibit or restrict the FPSC from reviewing the service agreement in the performance of its duties, but the FPSC shall treat the service agreement as a confidential document. Within 30 days after a service agreement has been executed under this rate schedule, the Company shall file the service agreement and related documents with the Commission's Division of Records and Reporting for review by the Commission Staff who shall treat them as confidential documents.

MISCELLANEOUS CHARGES AND FEES
Rate Schedule MCF

Availability:

In all of the Company's service area.

Applicability:

To all customers for services rendered or fees assessed in accordance with the General Terms and Conditions Section of the Company's approved tariff.

Rates and Charges:

Residential Connection Charge:	$30.00
Commercial Connection Charge:	$60.00
Residential Re-Connection Charge	$30.00
Commercial Re-Connection Charge	$60.00
Collection in Lieu of Disconnect Charge:	$20.00
Change of Account Charge:	$15.00
Return Check Charge:	$25.00 or 5% of the face value of the check, which ever is greater.

BILLING ADJUSTMENTS - BA

(1) PURCHASED GAS COST RECOVERY FACTOR:
Applicable:

To the Rate per Month provision in each of the Company's general sales service rate schedules.

The energy charge of the Monthly Rate for gas supplied in any billing period shall be adjusted by the Company's expected weighted average cost of gas (WACOG). The WACOG may not exceed the Commission approved purchased gas cost recovery factor based on estimated gas purchases for the twelve-month period of January through December, in accordance with the methodology adopted by the Commission on June 1, 1993, in Order No. PSC-93-0708-FOF-GU, Docket No. 930003-GU, or as such methodology may be amended from time to time by further order of the Commission. The factor determined as set forth above shall be multiplied by 1.00503 for regulatory fees, and rounded to the nearest $.000001 per therm, to be applied to the total number of therms consumed by the customer during the billing period..

The purchased gas cost recovery factor approved by the Commission for the billing months of January 2000 through December 2000 is $.46424 cents per therm.

The purchased gas cost recovery factor shall serve as a cap or maximum recovery factor. If re-projected expenses for the remaining period exceed projected recoveries by at least 10% for the six month period, a mid-course correction may be formally requested by the Company. For changes in market conditions and costs, the Company, upon one day's notice to the Commission, shall have the option of flexing downward (reducing the WACOG) or upward (increasing the WACOG) to the extent that the increase does not exceed the authorized cap.

The current month WACOG may be adjusted for prior months' differences between projected and actual costs of gas purchased, but may not exceed the approved cap for the period.

(2) ENERGY CONSERVATION COST RECOVERY ADJUSTMENT CLAUSE:
Applicable:

To the Rate per Month provision in each of the Company's rate schedules referenced below in this section.

The bill for gas or transportation service supplied to a general sales service customer in any billing period shall be adjusted as follows:

Each Rate Schedule shall be increased or decreased to the nearest .01 cent multiplied by the tax factor of 1.00503 for each therm of gas sales or transportation to recover the conservation related expenditures by the Company. The Company shall record both projected and actual expenses and revenues associated with the implementation of the Company's energy conservation plan as authorized by the Commission. The procedure for the review, approval, recovery and recording of such costs and revenues is set forth in the Commission Rule 25-17.15, F.A.C.

The cost recovery factor for the period from January 2001 through December 2001 for each rate schedule are as follows:

Rate Schedule	Classification of Service	Dollars per therm
GS-1/TS-1	< 300 therms	$0.00
GS-2/TS-2	>300 up to 3,000 therms	$0.00
GS-3/TS-3	>3,000 up to 10,000 therms	$0.00
GS-4/TS-4	>10,000 up to 25,000 therms	$0.00
GS-5/TS-5	>25,000 up to 50,000 therms	$0.00
GS-6/TS-6	>50,000 up to 100,000 therms	$0.00
GS-7/TS-7	>100,000 up to 500,000 therms	$0.00
GS-8/TS-8	>500,000 up to 1,000,000 therms	$0.00
GS-9/TS-9	>1,000,000 therms	$0.00

(3) TRANSPORTATION COST RECOVERY CLAUSE (TCR):

Applicable:

To the monthly Customer Charge provision in each of the Company's Transportation Service rate schedules referenced below in this section.

The bill for service provided to all transportation customers, except those receiving service under the Contract Transportation Service (CTS) Rider, the Flexible Gas Service rate schedule or a Special Contract, shall be adjusted as follows:

The Customer Charge of the Monthly Rate for transportation service provided in any billing period shall be increased or decreased to the nearest $1.00 multiplied by the regulatory assessment fee factor of 1.00503, to recover non-recurring costs related to the implementation and administration of its expanded transportation service program. The Company shall annually forecast transportation-related expenditures for the twelve-month period of January through December. Projected expenditures shall be submitted to the Commission for approval on or before September 30 of the year prior to the proposed recovery period. For the purposes of this clause, the recovery period shall be defined as the calendar year immediately following the September 30, expenditure forecast submittal date. The total expenditure amount approved by the Commission for recovery, shall be divided into twelve equal portions. Each month during the recovery period, 1/12 of the total amount shall be billed to transportation service customers through the monthly Customer Charge.

The Company shall separately record both expenditures and revenues associated with the TCR Clause. Concurrent with the September 30, filing of projected expenditures, the Company will account for any surpluses or shortfalls in the recovery of approved expenditures. Any variation between the approved recovery amount and the actual revenue the Company collected during the recovery period, shall be "trued-up" during the succeeding twelve month recovery period. The true-up amount shall be subject to the approval of the Commission.

The Company may defer all or a portion of a shortfall recovery to a subsequent recovery period.

The Transportation Cost Recovery factor for the period January 2001 to December 2001 for each transportation service rate schedule is as follows:

Rate Schedule	Service Classification	Customer Charge

TS-1	< 300 therms	$0.00
TS-2	>300 up to 3,000 therms	$0.00
TS-3	>3,000 up to 10,000 therms	$0.00
TS-4	>10,000 up to 25,000 therms	$0.00
TS-5	>25,000 up to 50,000 therms	$0.00
TS-6	>50,000 up to 100,000 therms	$0.00
TS-7	>100,000 up to 500,000 therms	$0.00
TS-8	>500,000 up to 1,000,000 therms	$0.00
TS-9	>1,000,000 therms	$0.00

The TCR Clause will expire at the earlier of the Company's full recovery of the non-recurring costs associated with implementing unbundled transportation service, or at the end of December 2005.

(4) GENERAL SALES SERVICE RATE ADJUSTMENT:
Applicable:

To the Rate per Month provision in each of the Company's General Sales Service Rate Schedules.

The non-gas energy charge for General Sales Service gas supplied after September 30, 1990 is subject to adjustment in accordance with the following provisions for prior shortfalls or surpluses in the Company's revenues resulting from sales under the CSS and CTS riders.

(a) For the purposes of this clause, the following definitions shall apply:

(1) "Actual revenue" means Company's actual non-gas revenue derived from service provided to alternate fuel customers at rates prescribed, under the rates section of the CSS Rider or CTS Rider, during a determination period.

(2) "Base revenue" means the non-gas revenue which Company would have derived had all gas sold or transported at rates prescribed, under the "currently applicable base rate," during a determination period, been billed at the base non-gas energy charge.

(3) "Currently Applicable Base Rate" means the General Sales Service or Transportation Service Rate Schedule for which the customer would otherwise qualify for service.

(4) "Surplus" means the amount, if any, by which Florida Division's actual revenue exceeds its base revenue for a determination period.

(5) "Shortfall" means the amount, if any, by which the Florida Division's base revenue exceeds its actual revenue for a determination period.

(b) The existence of a shortfall or surplus shall be determined by comparing Florida Division's actual revenue with its base revenue. This determination shall be made each year for the twelve months ending September 30 ("determination period").

(c) Adjustments to firm rates pursuant to this clause shall be implemented during an "adjustment period," which shall be the twelve months immediately following the determination period in the event of a surplus. In the event of a shortfall, any twelve successive months ending on a September 30 within five years following the determination period may be an adjustment period.

(d) In the event of a surplus, Florida Division shall reduce rates to General Sales Service customers to credit them with revenues equal to one-half the surplus. In the event of a shortfall, Company may increase rates to firm customers to recover an amount not to exceed one-half the short fall. The amount of any credit or recovery is governed by the following:

Credit to Firm = (Actual revenue - Base revenue) X 0.5
Short fall recovery = (Base Revenue - Actual revenue) X 0.5

(e) A credit or shortfall recovery shall be implemented during an adjustment period by reducing or increasing the non-gas energy charges prescribed in each firm rate schedule of this tariff by an adjustment factor computed as follows and rounded to the nearest .001 cent per therm:

In event of a surplus, subtract: $\frac{\text{Credit to Firm}}{\text{PFS}}$

In event of a shortfall, add: $\frac{\text{Shortfall Recovery}}{\text{PFS}}$

Where PFS is the projected therm sales to General Sales Service customers during the adjustment period. Any variation between the actual credit to General Sales Service customers and the amount calculated pursuant to the

preceding paragraph, or between the actual shortfall recovery and the amount which the Florida Division elected to recover in an adjustment period, shall be "trued-up" during the succeeding twelve months pursuant to methodology approved by the Florida Public Service Commission.

(f) Company may defer all or a portion of a shortfall recovery to a subsequent adjustment period or portion thereof.

(5) OPERATIONAL BALANCING ACCOUNT

Shippers on the Company's distribution system will be required to "cash-out" the net imbalances in their operational balancing account at the end of each month. The cash-out provisions are identified in Section 17, General Terms and Conditions.

The Operational Balancing Account provides the tool by which the Company recovers the costs associated with balancing the delivery points on its distribution system with the Transporter(s). This mechanism should not be considered to preclude the Company from recovering other penalties and charges from its customers as defined in Section 17, General Terms and Conditions of this Tariff.

(6) TAXES AND OTHER ADJUSTMENTS APPLICABLE TO ALL RATE SCHEDULES:

There will be added to all bills rendered, all applicable local utility and franchise taxes and state sales taxes presently assessed by governmental authority; as well as future changes or new assessments by any governmental authority subsequent to the effective date of this tariff. All such assessments as described above shall be shown on customer bills.

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GENERAL TERMS AND CONDITIONS

1. INITIATION OF SERVICE

1.1 Application for Gas Service
A prospective Customer or a duly authorized representative may request gas service by completing an application for service or service agreement. Such application shall contain the information necessary to determine the type of service desired and the conditions under which service will be rendered.

1.2 Commencement of Gas Service
The completion of an application or the deposit of any sum of money by the prospective Customer shall not require the Company to render service until the expiration of such time as may be reasonably required by Company to determine if such applicant has fully complied with the provisions of Company's applicable General Terms and Conditions and as may reasonably be required by Company to install the required facilities to render service to such applicant.

1.3 Withholding of Gas Service
The Company may withhold gas service requested under any application for service or service agreement submitted by any member or agent of a family, household, organization, or business unless all prior indebtedness for gas service to the Company of such family, household, organization, or business has been settled in full and all of the applicable General Terms and Conditions have been complied with by such applicant.

1.4 Turn-On Charge
The Company shall bill the Customer an approved Turn-on Charge (see Sheet No. 73) for initiation or restoration of service, or an approved charge (see Sheet No. 73) for reading the meter upon changes of account name.

GENERAL TERMS AND CONDITIONS
(Continued)

2. ELECTION OF RATE SCHEDULES

2.1 Customer and Company Responsibility
Upon application for service or upon request by Customer, applicant or Customer shall elect the applicable rate schedule. Company will assist in making such election but does not guarantee that customers will be served under the most favorable rate schedule at all times. Company will not be responsible for failure to notify customers of the most advantageous rate schedule and will not make any refunds to Customer for the difference between actual billings and charges under other rate schedules.

2.2 Changes in Load Characteristics
Upon notification of any material change in Customer's installation or gas requirements, Company will assist Customer in selecting the most advantageous rate schedule, but unless required by substantial changes in Customer's installation or gas requirements, not more than one (1) such change in rates will be made within any twelve (12) month period.

3. CUSTOMER'S INSTALLATION

3.1 Type and Maintenance
The Customer's installation shall be constructed and maintained in accordance with standard practice as determined by the American Gas Association and American Standard Association Gas Safety Code, with the General Terms and Conditions of the Company, and in full compliance with all governmental regulations applicable to same. The Customer shall not utilize any apparatus or device which is not properly constructed, controlled, or protected, or which may adversely affect gas service; and the Company reserves the right to discontinue or withhold gas service to any Customer on account of any defect in Customer's installation.

3.2 Change of Customer's Installation
No changes in Customer's installation that will affect the operation of any portion of the distribution system of the Company shall be made without written consent of the Company. The Customer will be liable for any damage to the Company resulting from a violation of this provision.

GENERAL TERMS AND CONDITIONS
(Continued)

3.3 Inspection of Customer's Installation
If municipal or other governmental inspection is required, the Company shall not be required to render gas service until such inspection has been made and approval from the inspecting authority has been received by the Company. The Company reserves the right to inspect Customer's installation prior to rendering service and from time to time thereafter, but assumes no responsibility whatsoever on account of having made such inspection.

3.4 Investigation of Suspected Gas Leak on Customer's Installation
The Company, upon request from Customer, will investigate a suspected gas leak on the Customer's installations at no charge to the Customer. If a leak is detected the Company will secure and make safe the gas system until appropriate repairs are effected. If the appropriate action is to turn-off and lock the meter, upon request to reactivate the meter, the approved turn-on charge (see Sheet No. 73) shall apply.

3.5 Indemnity to Company
The Customer shall indemnify, hold harmless, and defend the Company from and against any and all liability, proceedings, suits, cost or expense for loss, damage or injury to persons or property, in any manner directly or indirectly connected with or growing out of the transmission and use of gas by the Customer at or on the Customer's side of the point of delivery.

3.6 Access to Premises
The Company or its duly authorized agents shall have access at all reasonable hours to the premises of the Customer for the purpose of installing, maintaining, inspecting or removing the Company's property, reading meters and such other purposes as are incident to rendering or terminating of gas service to the Customer. In such performance the Company and its agents shall not be liable for trespass.

3.7 Right of Way
The Customer shall grant or cause to be granted to the Company without cost to the Company all rights, easements, permits and privileges that in the Company's opinion are necessary for the rendering of gas service. The Customer will furnish without charge to Company an acceptable location for the meter.

GENERAL TERMS AND CONDITIONS
(Continued)

4. DEPOSITS

4.1 Deposits Required; Establishment of Credit
The Company may require an applicant for gas service to satisfactorily establish credit before service will be supplied, but such establishment of credit shall not relieve the Customer from complying with the Company's provisions herein for prompt payment of bills. Credit will be deemed so established if:

(a) The applicant for residential service furnishes a satisfactory guarantor to secure payment of bills for the gas service requested. A satisfactory guarantor shall, at the minimum, be a Customer of the utility with a satisfactory payment record. A guarantor's liability shall be terminated when a residential Customer whose payment of bills is secured by the guarantor meets the requirements of Section 4.3 of this tariff. Guarantors providing security for payment of residential customers' bills shall only be liable for bills contracted at the service address contained in the Contract of Guaranty.

(b) The applicant pays a deposit by cash, check, credit card, or debit card prior to the initiation of gas service. A receipt for any deposit made by a Customer shall be given to Customer. Such receipt is not negotiable or transferable.

(c) The applicant for service furnishes an irrevocable letter of credit from a bank or a surety bond.

(d) The applicant for service furnishes a letter from another utility showing the applicant's satisfactory payment record for the preceding 23 months. Satisfactory payment record will be deemed to be established if the applicant meets the criteria stated below in Section 4.3.

(e) Residential customers may request to be billed for the amount of deposit. A bill for Customer deposit is due upon receipt and shall be considered delinquent by the Company at the expiration of seven days from the date of mailing by the Company. Delinquent accounts are subject to Section 10, Discontinuance of Service.

GENERAL TERMS AND CONDITIONS
(Continued)

4.2 New or Additional Deposits

The Company may require, upon reasonable written notice of not less than ten (10) days, such request or notice being separate and apart from any bill for service, a new deposit where previously waived or returned, or an additional deposit, in order to secure payment of current bills; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for gas service for the two (2) highest billing periods for the twelve (12) month period immediately prior to the date of notice. In the event the Customer has had service less than twelve (12) months, then the utility shall base its new or additional deposit upon the average actual monthly billing available.

4.3 Refund of Deposits

(a) After a residential Customer has established a satisfactory payment record and has had continuous service for a period of not less than 23 months, the Company will refund the residential Customer's deposits and shall, at its option, either refund or pay the higher rate of interest specified in Section 4.4 for non-residential deposits provided the Customer has not, in the preceding twelve (12) months: a) made more than one late payment of the bill (after the expiration of twenty (20) days from the date of mailing or delivery by the Company); b) paid with a check refused by a bank; c) been disconnected for non-payment; d) tampered with the gas meter; or, e) used service in a fraudulent or unauthorized manner.

(b) Upon termination of service, the deposit and accrued interest may be credited against the final account and the balance, if any, shall be returned promptly to the Customer but in no event later than fifteen (15) days after service is discontinued.

4.4 Interest on Deposits

Six percent (6%) per annum interest will be credited to Residential Customer's account annually in accordance with the current effective rules and regulations of the Commission. Seven percent (7%) per annum will be credited annually on deposits of Residential customers qualifying under Section 4.3 when the Company elects not to refund such a deposit after twenty-three (23) months. The Utility shall credit annually seven percent (7%) per annum on deposits of non-residential customers qualifying under Section 4.3 (a) of these General Terms and Conditions until the Commission sets a new interest rate applicable to the Company.

GENERAL TERMS AND CONDITIONS
(Continued)

5. BILLING AND COLLECTING

5.1 Billing Periods

Each Customer's meter will be read at regular intervals and bills for gas service will be rendered regularly on a monthly basis. Bills will be rendered as soon as practical after determination of their amount and shall be due and payable at the office of the Company in accordance with the Florida Public Service Commission rules and regulations, and the requirements of this section.

(a) Customers may choose to pay their bill in person, by mail, or by telephone no later than twenty days from the date of mailing by the Company.

(b) Customers choosing to pay their bill by telephone will be required to furnish a valid credit card number to the Company for processing.

(c) Customers may choose to participate in the Company's direct bank debit program by completing an agreement with the Company. Customers choosing this payment method agree that the Company may debit their bank account for the balance due on Customer's gas account on the 15th day following the date of mailing by the Company.

5.2 Partial Month

Upon commencement of gas service less than fifteen (15) days prior to a regular monthly billing date and when the gas service continues thereafter to the same Customer at the same address where customers are receiving gas service on monthly rate schedules, no bill will be rendered for gas service covering such period, but the charge for such period will be included in the bill rendered for the next succeeding monthly billing period.

5.3 Non-Receipt of Bills

Non-receipt of bills by Customer shall not release or diminish obligation of Customer with respect to payment thereof.

5.4 Calculation of Bill

Gas Delivered Under More Than One Rate Schedule and/or at More Than One Point of Delivery

GENERAL TERMS AND CONDITIONS
(Continued)

Gas service will be measured by a meter or meters at each point of delivery and the applicable rates set forth in the applicable rate schedule shall be applied to the quantity of gas so measured to determine the amount of the bill.

If a Customer purchases gas under more than one rate schedule, the gas service rendered under each rate schedule shall be separately metered and separate bills shall be calculated for each type of gas service rendered. If a Customer purchases gas under a particular rate schedule but receives delivery thereof at more than a single point of delivery, the Company shall consider such deliveries as separate gas service and will calculate separate bills therefore except for the convenience of the Company.

5.5 Change of Occupancy

When change of occupancy takes place on any premises to which the Company renders gas service, notice thereof shall be given by the Customer not less than three (3) days prior to the date of change. The Customer will be held responsible for all gas service furnished to such premises until such notice is received by the Company and the Company has had reasonable time to discontinue the gas service; however, the Company will automatically terminate gas service to the Customer upon receipt of an application of a succeeding occupant, if such notice has not been received prior thereto.

5.6 Delinquent Bills

Bills are due when rendered, and are delinquent in accordance with the rules established by the Florida Public Service Commission. Gas service will be discontinued after five (5) days written notice to the Customer subsequent to such delinquent date and, if discontinued, such service will not be restored until all bills are paid in full and a delinquent reconnect charge is paid (see Sheet No. 73).

5.7 Estimated or Adjusted Bills

Meter readings will be adjusted to compensate for meter inaccuracy or meter reading errors and may be estimated in the case of non-registering meters or the inability to obtain access to the meter on the regular meter reading date. Bills will contain reference to "Estimated Reading".

GENERAL TERMS AND CONDITIONS
(Continued)

5.8 Adjustment of Bills for Meter Error

(a) Fast Meters

Whenever a meter is found to have an average error of more than two percent (2%) fast, the utility shall refund to the Customer the amount billed in error for one-half the period since the last test, said one-half period not to exceed twelve (12) months except that if it can be shown that the error was due to some cause, the date of which can be fixed, the overcharge shall be computed back to, but not beyond, such date, based upon available records. If the meter has not been tested in accordance with Rule 25-7.064, the period for which it has been in service beyond the regular test period shall be added to the twelve (12) months in computing the refund. The refund shall not include any part of any minimum charge.

(b) Slow Meters

(1) Except as provided by this sub-section, a utility may backbill in the event that a meter is found to be slow, non-registering or partially registering. A utility may not backbill for any period greater than twelve (12) months from the date it removes the meter of a Customer, which meter is later found by the utility to be slow, non-registering or partially registering. If it can be ascertained that the meter was slow, non-registering or partially registering for less than twelve (12) months prior to removal, then the utility may backbill only for the lesser period of time. In any event, the Customer may extend the payments of the backbill over the same amount of time for which the utility issued the backbill. Nothing in this sub-section shall be construed to limit the application of sub-section (d) of this section.

(2) Whenever a meter tested is found to have an average error of more than two percent (2%) slow, the utility may bill the Customer an amount equal to the unbilled error in accordance with this sub-section. If the utility has required a deposit as permitted under Rule 25-7.065(2), the Customer may be billed only for that portion of the unbilled error that is in excess of the deposit retained by the utility.

(3) In the event of a non-registering or a partially registering meter, unless the provisions of sub-section (c) of this section apply, a Customer may be billed on an estimate based on previous bills for similar usage.

GENERAL TERMS AND CONDITIONS
(Continued)

(c) It shall be understood that when a meter is found to be in error in excess of the prescribed limits of two percent (2%) fast or slow, the figure to be used for calculating the amount of refund or charge in (a) or (b)(2) above shall be that percentage of error as determined by the test.

(d) In the event of unauthorized use, the Customer may be billed on a reasonable estimate of the gas consumed.

5.9 Returned Check Charge
A service charge, as specified on Sheet No. 73, shall be added to the Customer's bill for gas service for each check dishonored by the bank upon which it is drawn. Termination of service shall not be made for failure to pay the returned check charge.

5.10 Contracts and Agreements
Where there exists a special contract or agreement between the Company and a Customer pursuant to Commission Rule 25-9.034, the terms and conditions of that contract as approved the Florida Public Service Commission will apply to gas service received under the contract when those terms and conditions differ from Section 5 of this Tariff.

6. METERING

6.1 Use of Meters and Measuring Equipment
The Company will provide and install and properly maintain at its own expense such meter or meters, recording devices and metering equipment necessary to measure the quantity of gas used by the Customer.

The Customer, acting jointly with Company, may install, maintain and operate at his expense such check measuring equipment as desired provided that such equipment shall be so installed as not to interfere with the safe and efficient operation of Company's equipment. No gas shall be remetered or sub-metered by Customer for resale unless approved by the Company.

Company may furnish and install such regulating and/or flow control equipment and devices as it deems to be in the best interest of the Customer served, or of the system in general.

GENERAL TERMS AND CONDITIONS
(Continued)

Only duly authorized agents of the Company or persons authorized by law shall set or remove, turn on or turn off, or in any way handle such meters. Connections to the Company's system shall be made only by Company's duly authorized agents. Unauthorized connections to, or tampering with, the Company's meter or metering equipment, or indications or evidence thereof, subjects the Customer to immediate discontinuance of gas service, prosecution under the laws of the State of Florida, adjustment of prior bills for gas furnished, and reimbursement of the Company for all expenses incurred on this account.

6.2 Location of Meters

The Customer shall provide a suitable location satisfactory to the Company for its metering equipment. Such location shall be convenient and accessible at all reasonable times to the Company's meter readers and other agents.

6.3 Access to Meters

Company representative shall be given access to the premises of the Customer at all reasonable hours for obtaining meter readings, for shutting off the flow of gas when necessary or due to any Customer delinquency or infraction, and for inspecting, removing, repairing, or protecting from abuse or fraud any of the property of the Company installed on the premises. Access shall be granted at all times for emergency purposes.

6.4 Meter Accuracy

Meters, when installed, shall have been tested to be within a tolerance of one percent (1%) fast and two percent (2%) slow. Meters installed will be tested periodically at reasonable intervals and in accordance with the rules and regulations of the Commission. Company will test meters at the written request of the Customer; provided, however, the Company will be obligated to make only one meter test within a period of twelve (12) months. Customer shall pay costs incurred by Company as prescribed by the Commission rules and regulations of each additional meter test in any twelve (12) month period unless such additional test proves meter to be more than two percent (2%) fast. Any dispute over meter accuracy between Customer and Company shall be handled in accordance with the applicable rules and regulations of the Commission.

GENERAL TERMS AND CONDITIONS
(Continued)

7. EXTENSION OF FACILITIES

7.1 Free Extension
Whenever a prospective Customer requests gas service at a location where the Company has no facilities, the Company will extend its facilities to serve the prospective Customer under the following conditions:

(a) Prospective Customer executes a gas service application agreement on the Company's Application for Gas Service.

(b) The extension of facilities to the prospective Customer(s) will not jeopardize gas service to existing Customers.

(c) For a year-round Customer using natural gas for water heating and at a minimum of one other appliance, the maximum capital investment to be made by the Company shall be defined as the Maximum Allowable Construction Costs (MACC). The MACC shall equal the estimated annual gas revenue (sales or transportation) to be derived from the facilities, less the cost of gas, and the net result multiplied by six.

7.2 Service Extensions Above Free Limit
Notwithstanding the provisions of this section (7), the Company will install up to one hundred feet of service lateral facilities, commencing at an existing gas main, at no charge to a year-round Customer with a water heater and a minimum of one other appliance. Any extension of service facilities from an existing gas main that exceeds the MACC or the provisions contained herein, shall be made at a cost to the Customer of $4.00 per foot for pipe sizes of one inch or less. All other services requiring pipe sizes larger than one inch shall be charged at actual cost.

7.3 Main Extensions Above Free Limit - Contribution in Aid of Construction.
When the cost of the facilities required to provide service is greater than the MACC specified in 7.1(b) above, the Company shall require a non-interest bearing Contribution in Aid of Construction (CIAC) of the cost in excess of the MACC provided that:

(a) At the end of the first year, the Company shall refund to the person paying the CIAC or his assigns an amount equal to the excess, if any, of the MACC

GENERAL TERMS AND CONDITIONS
(Continued)

recalculated using the actual gas revenues (sales or transportation), less the actual cost of gas, and the actual construction costs.

(b) For each additional Customer taking service at any point on the extension within a period of five (5) years from date of construction, the Company shall refund to the person paying the CIAC or his assigns an amount by which the MACC for the new Customer exceeds the cost of connecting the Customer, provided that an additional main extension shall not have been necessary to serve the additional Customer.

(c) The aggregate refund to any Customer made through the provisions of (a) and (b) above shall at no time exceed the original CIAC of such Customer.

(d) The extension shall at all times be the property of the Company and any unrefunded portion of the CIAC at the end of five (5) years shall be credited to the plant account of the Company.

7.4 Main Line Extensions of Facilities for Non-Natural Gas Water Heating Customers
For a Residential Customer using gas only for space heating, cooking, clothes drying, pool heating, standby electric generator, or outdoor living equipment, the Company will extend main and service line facilities in accordance with the MACC.

7.5 Service Line Extensions for Non-Natural Gas Water Heating Customers From Existing Main
For a Residential Customer using gas only for space heating, cooking, clothes drying, pool heating, standby electric generator, or outdoor living equipment, the Company will extend service line facilities from an existing main at a cost to the Customer of $4.00 per foot for pipe sizes of one inch or less. All other services larger than one inch shall be charged at actual cost.

7.6 Area Extension Program Charge
Notwithstanding the provisions of sections 7.1, 7.2, and 7.3, when facilities are to be extended to serve one or more delivery points in a discrete geographic area, the Company may require an Area Extension Program Charge (AEP). The Company, in its sole discretion, may require this charge when:

GENERAL TERMS AND CONDITIONS
(Continued)

(a) The cost of the project facilities required to provide service through the area is greater than the aggregate MACC for the customers to be served; and

(b) The Company reasonably forecasts gas revenues, including the AEP and excluding the cost of gas, during a period not to exceed ten years from when the mains required to serve the project facilities are placed in service (the Amortization Period), that are sufficient to recover the cost of the project facilities.

The AEP, which shall be stated on a per therm basis, shall apply with respect to all natural gas sold or transported to Company customers located within the applicable discrete geographic area during the Amortization Period.

The AEP will be calculated by dividing (1) the amount of additional revenue required in excess of the Company's applicable tariff rates by (2) the volume of gas reasonably forecast to be sold or transported to customers within the applicable discrete geographic area during the Amortization Period. The additional revenue required is that amount determined necessary to recover the excess cost of the facilities, including the Company's allowed cost of capital.

AEP collected shall be used specifically to amortize the cost of the project facilities within the applicable discrete geographic area that is in excess of the MACC. If the AEP collected is sufficient before the expiration of the Amortization Period to fully amortize the excess costs, including the provision for the accumulated cost of capital, the AEP for that area shall terminate immediately, and the Company shall promptly credit the affected customers for amounts overcollected, if any.

Upon the earlier of (1) the third anniversary of the date when the project facilities are placed in service and (2) the date on which 80% of the originally forecast annual load is connected, the Company will reassess the amount of additional revenue required to recover the unamortized excess cost of the facilities and the calculation of the AEP. The resulting adjustment of the AEP (whether upward or downward) will be applied prospectively over the remainder of the Amortization Period.

The Company may enter into a guaranty agreement with the party or parties requesting the extension, whereby that party or parties agree to pay to the Company any unamortized balance remaining at the end of the Amortization Period. The

GENERAL TERMS AND CONDITIONS
(Continued)

Company's rights under the guaranty agreement will not be considered when calculating the AEP.

7.7 Temporary Service

In the case of temporary service for short-term use, Company may require the Customer to pay all costs of making the service connection and removing the material after service has been discontinued, or to pay a fixed amount in advance to cover such expense; provided, however, that the Customer shall be credited with reasonable salvage realized by the Company when service is terminated. A motor home or house trailer that is not set up on a semi-permanent basis; i.e., leveled and tied down, would be classified as a temporary service.

7.8 No Discrimination Practiced Between Customers

Nothing in this section (7) shall be construed as prohibiting the Company from establishing extension policies more favorable to Customers so long as no undue discrimination is practiced between Customers.

8. OBLIGATIONS OF COMPANY AND CUSTOMERS

8.1 Operation of Company's System

Company will use reasonable diligence in operating its system in order to insure a uniform and adequate supply of gas to meet the gas requirements of its customers.

8.2 Interruptions

The Company may temporarily shut off the supply of sales and/or transportation gas to the Customer's premises after reasonable notice for the purpose of making necessary repairs or adjustments to mains or supply pipes, and will endeavor to make such interruptions, if required, at a time, where possible, which will cause the least inconvenience to the Customer. Company reserves the right to shut off supply of gas without notice in case of emergency in accordance with the Company's filed Curtailment Plan.

8.3 Information to Customers

Company shall maintain personnel at its general offices to assist the Customer in acquiring gas service, provide information as to rates and charges and handle Customer inquiries or complaints. A copy of all Rate Schedules, General Terms and general offices.

GENERAL TERMS AND CONDITIONS
(Continued)

8.4 Access to Customer's Premises
Customer shall be obligated to allow the Company or its duly authorized agents to enter Customer's premises for reasons set forth in other sections of these General Terms and Conditions . Any refusal on part of Customer to permit Company access to premises will be cause for discontinuance of gas service without liability to the Company.

8.5 Protection of Company's Property
All property of Company installed in or upon Customer's premises used and useful in supplying service is placed there under Customer's protection. All reasonable care shall be exercised to prevent loss of or damage to such property and, ordinary wear and tear excepted, Customer will be held liable for any such loss of property damage thereto and shall pay to Company the cost of necessary repairs or replacements.

8.6 Interfering or Tampering with Company's Property
Customer will be held responsible for breaking the seals, tampering or interfering with Company's meter or meters, or other equipment of Company installed on Customer's premises, and no one except employees or authorized agents of Company will be allowed to make any repairs or adjustments to any meter or other piece of apparatus belonging to Company except in cases of emergency.

8.7 Conformance with Tariff
Upon commencement of gas service by the Company pursuant to an application or Service Agreement, the terms and conditions of the application and/or Service Agreement, of these General Terms and Conditions, and of the applicable rate schedules shall be binding upon the Customer and the Company unless otherwise stated in a special contract as approved by the Commission in accordance with Commission Rule 25-9.034.

9. FORCE MAJEURE
In the event of either party, Company or Customer, being rendered unable wholly or in part by Force Majeure to carry out its obligations under an Application, acceptance of which has been made, or under a Service Agreement, other than to make payments due thereunder, it is agreed that on such party giving notice and full particulars of such Force Majeure to the other party as soon as possible after the occurrence of the cause relied on, then the obligations of the party giving such notice, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any

GENERAL TERMS AND CONDITIONS
(Continued)

inability so caused but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch.

The term "Force Majeure", as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, hurricanes or evacuation orders due to hurricanes, floods, washouts, arrests and restraints of government and people, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, the necessity for making repairs or alterations to machinery or lines of pipe, freezing of well or lines of pipe, partial or entire failure of source of supply, and any other cause, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome; such term shall likewise include (a) in those instances where either party is required to obtain servitudes, rights of way grants, permits, or licenses to enable such party to fulfill its obligations hereunder, the inability of such party to acquire, or the delays on the part of such party in acquiring, at reasonable cost and after the exercise of reasonable diligence, such servitude, rights of way grants, permits, or licenses; and (b) in those instances where either party is required to furnish materials and supplies for the purpose of constructing or maintaining facilities or is required to secure grants or permissions from any governmental agency to enable such party to acquire, or the delays on the part of such party in acquiring, at reasonable cost and after the exercise of reasonable diligence, such materials and supplies, permits and permissions.

It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of opposing party when such course is inadvisable in the discretion of the party having the difficulty.

10. DISCONTINUANCE OF SERVICE

The Company reserves the right, but assumes no liability for failure to do so, to discontinue service to any Customer for cause as follows:

GENERAL TERMS AND CONDITIONS
(Continued)

10.1 Without Notice

(a) If a dangerous or hazardous condition exists on Customer's premises in Customer's installation or appliances.

(b) Due to tampering with or fraudulent use of Company-owned facilities or equipment on Customer's premises.

(c) In the event of unauthorized or fraudulent use of gas service.

10.2 After Five (5) Days Written Notice

(a) For non-payment of bills for gas service.

(b) For failure to correct improper piping or appliance defects previously called to the attention of Customer by Company.

(c) For failure or refusal to provide or increase a deposit when requested, to insure payment of bills.

(d) For any violation of these rules and regulations which Customer refuses or neglects to correct.

10.3 Waiver of Discontinuance of Service

Discontinuance of service may be temporarily waived in specific cases when the service is medically essential and interruption will endanger life or require hospitalization to sustain life. Prior to granting a medical waiver, the consumer will be required to furnish the Company written notice from a competent physician acceptable to the Company that the service is required for life support.

10.4 Bill Collection in Lieu of Disconnection

A service charge (see Sheet No. 73) shall be added to the Customer's bill for gas service when payment is made at billed address prior to disconnection for non-payment of bills.

11. RESTORATION OF SERVICE

When service has been discontinued for any of the reasons set forth in or violation of the General Terms and Conditions, service will be restored only after the following conditions are met:

GENERAL TERMS AND CONDITIONS
(Continued)

(a) All delinquent bills and amounts due Company are paid in full by Customer including a charge (see Sheet No. 73) for reconnection of service, damages, or fraudulent use.

(b) All conditions creating violations of these rules and regulations, unsafe conditions, misuse or fraudulent uses have been corrected by Customer and proven satisfactory to Company.

(c) Customer has provided the required deposit.

12. TERMINATION OF SERVICE

Subject to any existing Agreement between Customer and Company, if Customer wishes the gas service to be terminated, Customer shall give notice at the office of the Company at least three (3) days prior to the time that such termination shall become effective. Customer will be held liable both for any gas that may pass through the meter and safe custody of the Company's property until the meter has been shut off and locked by the Company.

If Customer wishes Company's property to be removed, he shall give notice at the office of the Company at least ten (10) days prior to the time of such requested removal.

13. LIMITATION OF GAS SUPPLY

Company reserves the right, subject to regulatory authority having jurisdiction, to limit, restrict or refuse service that will result in additions to its distribution system and/or production capacity and/or alterations in its contractual requirements of supply from non-affiliated companies that may jeopardize service to existing customers.

14. QUALITY OF GAS

The Quality of Gas delivered to the Company shall meet the same specifications as the FERC-approved tariff requirements of the upstream interstate pipeline systems connected to Company.

15. APPLICABILITY OF GENERAL TERMS AND CONDITIONS

Unless otherwise provided in an agreement approved by the Commission, these General Terms and Conditions apply to gas service rendered by the Florida Division

GENERAL TERMS AND CONDITIONS
(Continued)

in the entire service area of the Company, as such distribution system is now constituted and as it may be enlarged or extended, and to any new distribution system which may be acquired or constructed by the Florida Division.

16. OWNERSHIP OF PROPERTY

The Company will own, operate and maintain all service pipes, regulators, vents, meters, meter connections, valves and other apparatus from Company mains to the outlet side of the meter and shall have a perpetual right of ingress and egress thereto.

17. TRANSPORTATION SERVICE

17.1 Transportation Service

(a) The Company offers Transportation Service (TS) service to all large use Customers desiring to transport gas through the Company's distribution system on an individual basis. Each individual Customer, in order to qualify for the TS service must have an annual usage of over 100,000 therms per year.

Upon receipt of Customer's request for TS (see Sheet No. 125), the Company shall have 30 days to process the request and make proper arrangements with the upstream interstate pipeline system to accommodate Customers request. Service will begin on the first day of the month after the 30 day period for processing, provided that timely nominations for the first day of the month, in accordance with the interstate pipeline's tariff, can be made by Customer.

Each Customer electing this service will be required to transport all of their natural gas requirements under this TS service. An individual Customer will not be authorized to transport a portion of their usage requirements and receive the remaining requirements under a sales service schedule of the Company.

Each Customer electing this service shall have electronic telemetering equipment installed on their measurement equipment and their meter will be read at the end of the Gas Month.

GENERAL TERMS AND CONDITIONS
(Continued)

(b) Capacity Release – Without Alternative Fuel as a Back-up

The Company shall, to the extent capacity is available, release to an existing Customer (defined as a Customer who has received natural gas service from the Company prior the effective date of this section of the tariff) interstate pipeline capacity based upon the historical monthly needs of the Customer. Adjustments to the historical monthly needs may be made based on information obtained from the Customer; however, under no circumstances will the Company be obligated to release more capacity than the amount that is based upon the historical monthly usage. Capacity release will be made on a temporary basis, in accordance with applicable FERC rules and regulations, as they may change from time to time.

The interstate pipeline Primary Receipt Points, Primary Delivery Points and the Maximum Daily Transportation Quantities (MDTQ) that the Company shall relinquish hereunder during each individual month of the year shall be as set forth in the executed Transportation Services Agreement (see Sheet No. 127), between the Customer and the Company.

The Customer, or its authorized designee, shall diligently and in a timely manner take all actions required under the approved tariff of the interstate pipeline to acquire the firm capacity rights to be relinquished. Upon completion of the above actions, the Customer, or its authorized designee, shall accept the temporary pipeline capacity relinquishment from the Company.

New Customers (defined as a Customer who has not received natural gas service from the Company prior the effective date of this section of the tariff) shall not be required to take interstate pipeline capacity from the Company.

(c) Capacity Release – With Alternative Fuel as a Back-up

A Customer having an alternative fuel source as a back-up to natural gas, and executing a Transportation Service Agreement, shall have the option to take interstate pipeline capacity from the Company. If a Customer executed said option, then the terms and conditions specified in Section 17.2 (b) shall apply.

GENERAL TERMS AND CONDITIONS
(Continued)

(d) Use of Relinquished Capacity; Recall Rights

The Customers use of the relinquished capacity and the Company's right to recall shall be as stated in the Transportation Services Agreement.

(e) Scheduling and Nominating

The Customer, or its authorized designee, shall submit to the Company all scheduling and nominating information simultaneously with its submission to the interstate pipeline system (see Sheet No. 126).

(f) Monthly Balancing

The balancing of the quantity of gas received by the Customer and the actual usage by the Customer shall be done on a monthly basis. The Company and the Customer will resolve all imbalances at the end of each Month, as follows:

(1) If the monthly imbalance is positive (amount of gas scheduled is greater than actual usage by Customer), the Company shall purchase from the Customer such monthly imbalance at a price that is consistent with the then effective interstate pipeline system's cash-out methodology, with respect to the use of indexes, imbalance levels and applicable factors.

(2) If the monthly imbalance is negative (amount of gas scheduled is less than actual usage by Customer), the Company shall sell to the Customer such monthly imbalance at a price that is consistent with the then effective interstate pipeline system's cash-out methodology, with respect to the use of indexes, imbalance levels and applicable factors.

(3) Prior to initiation of Transportation Service, the Company will provide to the Customer, by electronic means, facsimile or by hard copy, a copy of the current, approved cash out provisions of the interstate pipeline tariff. The Company further agrees to provide to the Customer, by electronic means or facsimile, a copy of all FERC approved changes to the cash out provisions within 15 days of the Company's receipt of the applicable interstate pipeline tariff. In

GENERAL TERMS AND CONDITIONS
(Continued)

addition, the Company will maintain, at each of its offices and on the Company's web site, a copy of the currently effective interstate pipeline's cash out provisions.

(g) Operational Tools

(1) Operational Flow Orders (OFO)
When the interstate pipeline issues an OFO, the Company, as the Delivery Point Operator (DPO) will receive the notice and will promptly notify via electronic means all Individual Transportation Customers of the OFO. The notification will contain all information that is provided by the interstate pipeline in its notice to the DPO.

If the Customer violates the terms of the OFO (i.e. is outside the established percentage usage tolerances of the Order), then the Company will charge the responsible Customer(s) two times the interstate pipelines' authorized tariff OFO penalty.

(2) Alert Days

When the interstate pipeline issues and Alert Day notice, the Company, as the DPO will receive the notice and will promptly notify via electronic means all individual transportation customers of the Alert Day notice. The notification will contain all information that is provided by the interstate pipeline in its Alert Day notice.

If the Customer violates the terms of the Alert Day (i.e. is outside the established percentage usage tolerances of the Alert Day notice), then the Company, if, and only if, charges for the Alert Day notice have been incurred, will pass the incurred charges through to the responsible Customer(s) on a pro rata basis.

(3) Other Balancing Tools

As the DPO, the Company will comply with any other operational balancing tools order from the interstate pipeline and, at month end, will determine which Customers caused the operational balancing

GENERAL TERMS AND CONDITIONS
(Continued)

tools order and charge the responsible Customers the total cost incurred to comply with the order. Such charges will be made on a pro rata basis to all responsible Customers.

(4) Non-performance Penalty

The Company shall charge a Customer $10 per Dekatherm, plus the cost of gas delivered to the City gate station, for all quantities of gas that the Company provided to Customer due specifically to the non-performance of Customers obligation to deliver its own transportation gas to Company.

(5) Penalties Collected

All penalties, net of payments to third parties, collected by the Company for the Operational Tools, identified herein, shall be credited or charged to the Purchase Gas Adjustment clause in the Company's tariff. The Company shall not, under any circumstances, retain any of the penalties collected from the TS Customers nor absorb any costs related to complying with valid interstate pipeline Operational Tools orders.

17.2 Transportation Aggregation Service

(a) Transportation Aggregation Service (TA) shall be available to all non-residential customers, regardless of the level of annual usage. This service allows each such Customer to group its respective natural gas needs together into a common pool for transportation service. The Company will establish the necessary relationship with the authorized Pool Managers to accommodate this service and provide customers with the necessary mechanisms for entry into its chosen pool. The Company will maintain a listing of authorized TA service Pool Manager and, upon request, will make this list available to all non-residential Customers.

Each Customer electing this service will be required to transport all of its natural gas requirements under this TA service. An individual Customer will not be authorized to transport a portion of their usage requirements and

GENERAL TERMS AND CONDITIONS
(Continued)

receive the remaining requirements under a sales service schedule of the Company.

(b) Aggregation Pool

(1) Each Aggregation Pool shall consist of a minimum of ten (10) individual customers with a total aggregated annual usage of at least 100,000 therms per year.

(2) Each Customer shall execute a Letter of Authorization (see Sheet No. 152), in order to become a member of the Aggregation Pool that it chooses. Upon receipt of the Letter of Authorization, the Company shall have 30 days to process the request.

(3) A Customer will be added to an Aggregation Pool on the first day of the Month after the 30-day processing period has expired.

(4) An authorized Pool Manager shall manage each Aggregation Pool.

(5) Each individual Customer may change Aggregation Pool's with 30 days notice to Company, specifying the new Service Requested and the name of the Pool Manager, if switching to a new Aggregation Pool. The requested change, upon approval of the Company, will take effect on the first day of the month following the expiration of the 30-day notice requirement. There shall be no charge by Company to Customer for the first such change of Pool Managers for an account within a 12-month period. A Customer shall pay to Company for each subsequent requested change in Pool Managers for any account an administrative fee of $25.00.

(6) Upon election of the TA service, the Customer will automatically remain a Customer of this service until a request to change to another service is received by the Company. There shall be no charge by Company to Customer for the first such requested change within a 12-month period. A Customer shall pay to Company for each subsequent requested change an administrative fee of $25.00. All requested changes will be effective on the first day of the first month following

GENERAL TERMS AND CONDITIONS
(Continued)

completion of all required administrative activities by the Customer and the Company.

(7) If, for whatever reason, an Aggregation Pool falls below the required 10 individual customers and/or minimum of 100,000 therms in aggregation, then the pool will be declared invalid and the remaining Pool customers shall be reallocated on a pro-rata basis to other valid Aggregation Pool Managers. Such reallocation shall occur on the first day of the month subsequent to the declaration and each Customer's capacity, as determined in accordance with the above provisions, shall be reallocated to each individual Customer's new Aggregation Pool.

(c) A "Pool Manager" is an entity that provides gas supply and interstate pipeline capacity management for an aggregated number of customers on the Company's distribution system which has:

(1) Been duly approved as a Shipper on the interstate pipeline system upstream of the Company City Gate Station used as a point of entry onto Company's distribution system;

(2) Entered into Letters of Authorization to sell Gas to, or procure Gas for, Customer accounts desiring to receive service pursuant to the TA Service; and

(3) Executed and delivered to Company an Aggregated Transportation Agreement (see Sheet No. 153), that is inclusive of Capacity Release and Operating Balancing sections, and provides for the temporary release of Company's primary firm interstate pipeline transportation capacity to be used for the transportation and delivery to Company of Gas purchased.

(d) The Company's rate for transportation service applicable to each individually billed Customer's account shall be based upon the annual therm usage of the Customer (see the Classification of Service section of this tariff to determine the appropriate Rate Schedule).

GENERAL TERMS AND CONDITIONS
(Continued)

(e) Capacity Release

The Company shall, to the extent capacity is available, release on behalf of an existing Customer (defined as a Customer who has received natural gas service from the Company prior the effective date of this section of the tariff) to its chosen Pool Manager, interstate pipeline capacity based upon the historical monthly average use per day, rounded upwards to the next whole Dekatherm, of the Customer. Adjustments to the historical monthly averages may be made based on information obtained from the Customer or Pool Manager; however, under no circumstances will the Company be obligated to release more capacity than the amount that is based upon the historical monthly average. Capacity release will be made on a temporary basis, in accordance with applicable FERC rules and regulations, as they may change from time to time.

The interstate pipeline Primary Receipt Points, Primary Delivery Points and the Maximum Daily Transportation Quantities (MDTQ) that the Company shall relinquish hereunder during each individual month of the year shall be as set forth in the executed Transportation Services Agreement between the Pool Manager and the Company.

The Pool Manager shall diligently and in a timely manner take all actions required under the approved tariff of the interstate pipeline to acquire the firm capacity rights to be relinquished. Upon completion of the above actions, the Pool Manager shall accept the temporary pipeline capacity relinquishment from the Company.

New Customers (defined as a Customer who has not received natural gas service from the Company prior the effective date of this section of the tariff) shall not be required to take interstate pipeline capacity from the Company.

For each TA Customer, the level of capacity release will be reviewed and adjusted annually by the Company, based upon each Customer's original start date in the TA service.

GENERAL TERMS AND CONDITIONS
(Continued)

(f) Meter Reading

Each individual Customer whose annual consumption is 100,000 therms or less will continue to have their its read during the normal monthly cycle for the meter route Customer resides within. Each individual Customer whose annual consumption is over 100,000 therms will have its meter read at the end of the last day of the Gas Month.

(g) Billing

If requested by a Customer and the Pool Manager administering service hereunder to such account, Company will bill the Pool Manager's charges for service provided hereunder to such account. Company shall charge a Pool Manager $5.00 per bill for such optional service.

(h) Scheduling and Nominating

The Pool Manager shall submit to the Company all scheduling and nominating information simultaneously with its submission to the interstate pipeline system.

(i) Monthly Balancing

The balancing of the quantity of gas scheduled and nominated for the Aggregation Pool and the actual usage by the sum of all individual Customers shall be done on a monthly basis. The Company and the Pool Manager will resolve all imbalances at the end of each Month, as follows:

(1) If the monthly imbalance is positive (amount of gas scheduled is greater than aggregated actual usage by Customers), the Company shall purchase from the Pool Manager such monthly imbalance at a price that is consistent with the then effective interstate pipeline system's cash-out methodology, with respect to the use of indexes, imbalance levels and applicable factors.

GENERAL TERMS AND CONDITIONS
(Continued)

(2) If the monthly imbalance is negative (amount of gas scheduled is less than aggregated actual usage by Customers), the Company shall sell to the Pool Manager such monthly imbalance at a price that is consistent with the then effective interstate pipeline system's cash-out methodology, with respect to the use of indexes, imbalance levels and applicable factors.

(3) The Company will provide to the Pool Manager prior to initiation of TA Service a copy of the current, approved interstate pipeline tariff that specifies the applicable cash out provisions. The Company further agrees to provide a copy of all approved changes to the cash out provisions to the Pool Manager within 15 days of receipt of the approved applicable interstate pipeline tariff. In addition, the Company will maintain, at each of its offices and on the Company's web site, a copy of the currently effective interstate pipeline's cash out provisions.

(j) Operational Tools

(1) Operational Flow Orders (OFO)

When the interstate pipeline issues an OFO, the Company, as the Delivery Point Operator (DPO) will receive the notice and will promptly notify via electronic means all Pool Manager's of the OFO. The notification will contain all information that is provided by the interstate pipeline in its notice to the DPO.

If the Aggregated Pool violates the terms of the OFO (i.e. is outside the established percentage usage tolerances of the Order), then the Company will charge the responsible Pool Manager(s) twice the interstate pipelines established OFO penalties.

GENERAL TERMS AND CONDITIONS
(Continued)

(2) Alert Days

When the interstate pipeline issues and Alert Day notice, the Company, as the Delivery Point Operator (DPO) will receive the notice and will promptly notify via electronic means all Pool Managers of the Alert Day notice. The notification will contain all information that is provided by the interstate pipeline in its Alert Day notice.

If the Aggregated Pool violates the terms of the Alert Day (i.e. is outside the established percentage usage tolerances of the Alert Day notice), then the Company, if, and only if, charges for the Alert Day notice have been incurred, will pass the incurred charges through to the responsible Pool Manager(s) on a pro rata basis.

(3) Other Balancing Tools

As the Delivery Point Operator, the Company will comply with any other operational balancing tools order from the interstate pipeline and, at month end, will determine which Aggregated Pool caused the operational balancing tools order and charge the responsible Pool Manager(s) the total cost incurred to comply with the order. Such charges will be made on a pro rata basis to all responsible Pool Managers.

(4) Non-performance Penalty

The Company shall charge a Pool Manager $10 per Dekatherm, plus the cost of gas delivered to the City gate station, for all quantities of gas that the Company provided to Pool Manager due specifically to the non-performance of Pool Manager's obligation to deliver its own transportation gas to Company.

(5) Penalties Collected

All penalties, net of payments made to third parties, collected by the Company for the Operational Tools shall be credited or charged to the Purchase Gas Adjustment clause in the Company's tariff. The

GENERAL TERMS AND CONDITIONS
(Continued)

Company shall not, under any circumstances, retain any of the penalties collected from the Pool Manager(s) nor absorb any costs related to complying with valid interstate pipeline Operational Tools orders.

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CENTRAL FLORIDA GAS

APPLICATION FOR GAS SERVICE

RESIDENTIAL APPLICANTS

Name of Applicant _____

Address of property at which gas service is desired

Street _____ Apt. _____

City _____ State _____ Zip _____

Telephone # at service address _____

If you want your gas bill sent to an address other than the location at which service is desired, specify:

Street _____

City _____ State _____ Zip _____

In care of _____

Your prior address:

Street _____

City _____ State _____ Zip _____

Do you own or rent the property at which gas service is desired? _____

If you rent:

Property owner's name _____

Property owner's telephone no. _____

Your employer _____

Your telephone number at work _____

Your Social Security number _____

Spouse or co-occupant's name _____

Your employer _____

Telephone number at work _____

Social security number _____

COMMERCIAL APPLICANTS

Name of Applicant _____

Address of property at which gas service is desired

Street _____

City _____ State _____ Zip _____

Telephone # at service address _____

Your name _____

Your position with company _____

Your telephone number _____

Owner or principle's name _____

Vendor references _____

_____

_____

Commercial banking references _____

_____

_____

Type of business _____

Tax -exempt# _____

ALL APPLICANTS

In case of emergency, list a friend or relative not a member of your family household.

Name _____

Street _____

City _____ State _____ Zip _____

Telephone number _____

I, the undersigned, make application for natural gas service as indicated herein, and agree to the provisions hereof.

Date _____ Signature of Applicant _____

Date _____ Signature of Co-Applicant _____

Date _____ Signature of Agent _____

GAS SERVICE APPLICATION

Gas is to be delivered to applicant at the outlet side of the Corporation's gas meter serving the premises indicated. Such meter and service line there to be installed and operated at the cost of the Corporation and if located on applicant's property, the site thereof to be furnished free of charge by applicant.

The Corporation and its representatives are hereby authorized to enter upon and install on applicant's property the gas meter or meters, and gas pipe for furnishing gas to said address, and to ditch and lay such pipe as is outside the building. The gas pipe form the Corporation's gas system to and including said meter or meters shall be owned, operated, and maintained by the Corporation, with a perpetual right of ingress and egress thereto being hereby granted to the Corporation for such purpose. All gas pipe, from the outlet side of said meter or meters, shall be owned, operated, and maintained by the applicant named on the reverse side.

If the Corporation, in order to provide gas service requested herein by applicant, incurs costs for construction of facilities used, or to be used, in providing such service, applicant agrees that:

1. If applicant fails or refuses to take gas service from Corporation as requested herein, applicant shall pay to Corporation the actual cost incurred by Corporation in constructing the facilities to have been used in providing service to applicant pursuant to this request for service.

2. At the end of four years from the date on which gas service is initiated pursuant to this request for service, or on applicant's discontinuance of the service provided by Corporation hereunder, whichever should first occur, the maximum allowable construction cost (M.A.C.C.) shown in the feasibility computation on the face hereof shall be recomputed, using in the calculation thereof the actual revenues and cost of gas (in lieu of estimated amounts) received and experienced by the Corporation, together with the actual period of time during which gas service was provided to applicant by Corporation hereunder. Applicant shall pay to Corporation the amount, if any, by which the actual construction cost incurred by Corporation (less any unrefunded contribution in aid of construction (C.I.A.C.)) exceeds the maximum allowable construction cost as recomputed.

After a residential customer has established a satisfactory payment record and has had continuous service for a period of twenty-three (23) months, the Corporation shall refund the deposit required by this application. At such time as the deposit becomes refundable, the applicant hereby authorizes the Corporation to credit it against the applicant's gas account.

Applicant will receive and pay for all gas delivered according to the applicable rules and regulations filed with the Florida Public Service Commission under the applicable rate schedule. Any gas delivered at any other delivery point is also subject to the terms and conditions hereof. No oral statement shall change the terms of this obligation.

OFFICE USE ONLY

Division #_____ Service #_____
Customer #_____
(If applicant rents) Landlord #_____
MO/SO #_____
Turn-on: Date_____ Time:_____
Connect appliance (s)?_____
_____
City Limits of_____
Plant confirmation_____
_____
Other comments_____
_____
_____

New
Existing
New
Prior

In
Out

RESIDENTIAL
___Range
___Water Heater
___Furnace
___Space Heater
___Clothes Dryer
___Air Conditioner
___Pool Heater
___Other (specify)
_____
Service qualifies for tax
___State
___Utility
___Franchise
N = Exempt

NON-RESIDENTIAL
___Heat
___Manufacturing
___Processing
___Other (specify)
_____
RATE_____
Customer Rep.___
Customer qualifies for tax at service
___State
___Utility
___Franchise
N = Exempt

IDENTIFICATION
No._____
___Drivers License
___Age of Majority
___Employment ID
___Welfare ID

BDGT $_____
FNLS $_____
B.D. $_____
METER DEPOSIT
Amt $_____
Rcpt #_____

FEASIBILITY COMPUTATION

A. Annual Revenue ..... $_____
B. Cost of Gas ..... $_____
C. Annual Non-Fuel (A-B) ..... $_____
D. M.A.C.C. (4 x C) ..... $_____
E. Estimated Construction Cost ..... $_____
F. C.I.A.C. (D-E) ..... $_____

CENTRAL FLORIDA GAS

Account Number	Statement Summary	Total Amount Due
Past Due After	Past Due Gas Other Chgs.	Total Amount Paid

Please return this portion with your payment. Make check payable to Central Florida Gas Company.
Write your account number on your check. Please bring entire statement when paying in person.

Office Serving Your Account

Service Number | **Meter Number**

Service Address

Billing Period

From: To:

Meter Readings

Present	Previous	Difference
	(-)	(=)
	(-)	(=)

Rate	CCFs Used	
Route-Sequence	Pressure Factor	(x)
	BTU Factor	(x)
	Therms Used	(=)

Fuel Computation

Account Activity

CENTRAL FLORIDA GAS

Statement Summary	
Past Due	
Gas	
Other Chgs.	

Account # Account Name

Comparative Data	Days in Billing Pd.	Total Units Used in Billing Period	Avg. Daily Units Used	Avg. Daily Temp	Avg. Daily Cost	Past Due After	Total Amount Due

NAME, ADDRESS, PHONE CHANGES (Please Print)

Name _____

In Care Of _____

Street _____

City _____ State _____ ZIP _____

Home Telephone _____

Work Telephone _____

WHAT IF I HAVE A QUESTION ABOUT MY STATEMENT?

Call your Customer Representative at the office telephone number printed on the front of this statement.

WHEN IS MY PAYMENT DUE?

Your payment is due when you receive your statement. If you pay later than the "Past Due After" date printed on your statement, your payment is considered late.

HOW CAN I PAY MY BILL?

1. Make your check or money order payable to Central Florida Gas Company.
2. Write your account number on your check or money order.
3. Place your check or money order, along with the top portion of your statement, in the return envelope.

MAIL TO: Central Florida Gas Company
P.O. Box 960
Winter Haven, Florida 33882-0960

Mail no later than three business days before the "Past Due After" date to make sure that your payment is not late. **DO NOT MAIL CASH.**

OFFICE BUSINESS HOURS - Winter Haven Office - Monday through Friday 8 AM to 5 PM except holidays. **Plant City Office** - Monday through Friday 8 AM to 5 PM except holidays. This office is closed 12:30 PM to 1:30 PM daily for lunch.
St. Cloud Office - Customers should call the telephone number on their statement for the address and telephone number of the Central Florida Gas Office nearest them.

PAYMENT DROP - Payments can be dropped anytime day or night. Checks or Money Orders Only. NO CASH. Payments dropped before 1 PM each business day will be posted same day.

EXPLANATION OF TERMS USED ON YOUR BILL

BILLING PERIOD — This is the period of time from the date your meter was read last month until the date it was read this month.

METER READINGS — When our meter reader comes to your house, he reads the dials on your meter and records them. When you subtract last month's reading from this month's reading, you know how much gas you used. If two sets of readings are listed, then your meter was changed during the billing period. All meter readings are actual unless circumstances prevented the meter from being read. In this case, the present reading will be estimated.

RATE — How much gas you use determines the rate at which you are billed.

CCF'S USED — A CCF is one hundred cubic feet. This is the way gas is measured when it goes through your meter.

PRESSURE FACTOR — The numeric factor used to convert uncorrected cubic feet to corrected cubic feet.

BTU FACTOR — The numeric factor used to convert corrected cubic feet to units of heat energy (therms).

THERMS USED — The amount of gas used this service period, stated in therms. A therm is 100,000 BTU's.

CUSTOMER CHARGE — The amount includes maintenance of gas lines and meters, and other costs such as reading meters, billing, and processing payments.

FUEL COST — This is the amount we pay our suppliers for gas. The fuel cost goes up if they charge us more; it goes down if they charge us less. You are charged this fuel cost only for the gas that you use.

NON-FUEL COST — The amount charged per therm based on rates set by the Public Service Commission.

CENTRAL FLORIDA GAS

Office Serving Your Account	Account Number
	Type of Account
	Amount to be Paid
	Amount Paid

Please return this portion with your payment. Make check payable to Central Florida Gas Company. Write your account number on your check.

Please bring entire notice when paying in person.

Dear Customer,

Our records show that your payment is past due. If you have already sent us your payment, please disregard this notice. Call our office to verify that your payment has been received.

Office Serving Your Account	Account Number
	Type of Account
	Disconnect Date
	Amount Now Due

CENTRAL FLORIDA GAS

Service #	Service Address	Rate	Meter

CENTRAL FLORIDA GAS

Time Dispatched: _____	By: _____ Date: _____
Serviced By: _____	Date Work Completed: _____
Time Arrived: _____	Time Departed: _____
Labor Billable? _____	Over Time Labor Charge? _____
Service Person: _____	Charge For Labor Second Person?___
Time Arrived: _____	Time Departed: _____

Customer's Signature _____ Date:

	Date	Time
Service:		
Customer Service:		
Centralized Billing		

NAME:_____

ADDRESS:_____

Meter #	Mfgr	Size	Serial #		Index

01 Turn Off	
02 Turn Off Read	
03 Turn Off With Change	
04 Turn Off Removed	
05 Remove	
06 Set	
07 Set and Turn On	
08 Turn On	
09 Turn On Read	
10 Turn On With Change	
11 Change Meter	
14 Gas Leak	
Other	
Re-Read Meter	
High/Low Bill Order	
Repair Order	

APPLIANCES			
Range			
Water Heater			
Furnace or Hydroheat			
Space Heater			
Clothes Dryer or Outlet			
Air Conditioner			
Pool Heater			

Flue Check Done?_____ Flue Draft OK?_____

CO Check Done?_____ pts per mill_____

Odorant Test Done?_____ Odorant OK?_____

Odorant Observed By:_____

Customer Signature

House Line:

Pressure Test OK?_____ozlibs ins for _____Mins.

Time Dial Test OK?_____ft Dial for_____Mins.

Service Line:

CGI Test OK?_____% Leakage

Meter Registers Gas?_____

Regulation Pressure Test Done?_____

Vent Clear/Screened?_____

Low Load?_____

High Load?_____

Lock Up?_____

Creeping_____

Leaking_____

PARTS AND MATERIAL

Bin No.	Size	Description	Qty	Unit Price	Amount

Time Arr. a.m. p.m.	Time Dep. a.m. p.m.	Total Time	
Serviceman	Truck	Date	
Time Arr. a.m. p.m.	Time Dep. a.m. p.m.	Total Time	
Serviceman	Truck	Date	

Parts		
Labor		
Turn On		
Sub Total		
Tax		
Total		

I request Central Florida Gas to supply service as stated hereon, until the receipt of formal notice from me requesting discontinuance of this service. I agree to pay for such service promptly each month, according to the statement shown by the meter, at the regular rates of schedule applicable for such service as provided by the regulations of the Public Service Commission and service accordingly to the rules of the local gas division.

Service Authorized By

Customer or Authorized Signature_____ Date:_____

Remarks

Gas Payment_____

Service Work Ctgs_____

Bad Debt Payment _____

NSF Fee _____

Turn On Fee _____

Deposit _____

Misc._____

Balance_____

CENTRAL FLORIDA GAS

TO SAVE TIME

PLEASE BRING YOUR BILL NEXT VISIT

CUST #_____

NAME_____

STREET _____

CITY_____

SERV/EXT#_____

Source: ☐ Desk ☐ Drop Box ☐ Mail

Method: ☐ Check ☐ Cash ☐ Credit

TOTAL AMT PAID $ _____

Request for Gas Transportation

Central Florida Gas
A Division of Chesapeake Utilities Corporation

Please Send Request To:

Central Florida Gas
ATTN: Gas Supply
P.O. Box 960
Winter Haven, FL 33881

Telecopy: 863.294.3895

Date Received:
Legal Entity No.:
Request No.:

SHIPPER INFORMATION

Full Legal Name:	D-U-N-S Number:
Address:	
Telephone Number / Telecopy Number:	
Shipper Contact: (Name)	(Title):
Address for Notices:	Address for Billing and Invoices:
	Telephone Number:

SERVICE REQUIRED

Request Status: ☐ New Service ☐ Amendment (Contract No. _____)	
Describe Service: _____	
Terms:	**Projected ID Date:**

QUANTITY INFORMATION

Maximum Daily Transportation Quantity (MMBtu/Day)

October	Nov. - March	April	May - Sept

Issued by: John R. Schimkaitis, President
Chesapeake Utilities Corporation

Effective:

CENTRAL FLORIDA GAS

A Division of Chesapeake Utilities Corporation

DESIGNEE REQUEST FORM

Please Send Requests To: **Central Florida Gas**
ATTN: Gas Supply
P.O. Box 960
Winter Haven, FL 33881

Or Fax To: **863.294.3895**

_____ ("Shipper") hereby notifies Central Florida Gas that it has designated _____ ("Designee") as its designee to perform the following obligations of Shipper under its Transportation Agreement(s) with CFG beginning on _____ through _____ for CFG contact number(s) which may include Delivery Point Operating Account(s): _____, _____, _____, _____, _____, _____.

("X" all those that apply)

Invoicing/Payment Obligations ☐

Nominations
- Receipt Point(s) ☐ ..... Zone 1 ☐ Zone 2 ☐ Zone 3 ☐
- Delivery Point(s) ☐ ..... Primary Delivery Point DRN No. (if applicable) _____

Confirmations
- Receipt Point(s) ☐ ..... Zone 1 ☐ Zone 2 ☐ Zone 3 ☐
- Delivery Point(s) ☐ ..... Primary Delivery Point DRN No. (if applicable) _____

Imbalance Resolutions
- Receipt Point(s) ☐ ..... Zone 1 ☐ Zone 2 ☐ Zone 3 ☐
- Delivery Point(s) ☐ ..... Primary Delivery Point DRN No. (if applicable) _____

CFG shall have the right to rely on written and verbal communications form Designee for all purposes for the duties specified above. Shipper agrees to defend and hold CFG harmless from all of Designee's actions.

Communications by CFG to Designee shall be deemed to be notice to Shipper for all purposes for the duties specified above

Designee agrees to perform its duties consistent with CFG's FERC Tariff.

SHIPPER INFORMATION *(Full Company Legal Name)*	**DESIGNEE INFORMATION** *(Full Company Legal Name)*
SHIPPER: _____	DESIGNEE: _____
Legal Entity: _____ Duns: _____	Legal Entity: _____ Duns: _____
Address: _____	Address: _____
_____	_____
City: _____ ST ____ Zip _____	City: _____ ST ____ Zip _____
Contact: _____	Contact: _____
Phone: (____) _____ (____) _____	Phone: (____) _____ (____) _____
Shipper hereby agrees to the terms and conditions herein.	*Designee hereby agrees to the terms and conditions herein.*
Signed By: _____	Signed By: _____
Title: _____	Title: _____

Request Received On:	Processed By:	Accepted by CFG On:

Transportation Services Agreement

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This TRANSPORTATION SERVICES AGREEMENT ("Agreement") is made and entered into by and between Chesapeake Utilities Corporation, a Delaware corporation doing business in Florida as Central Florida Gas Company and hereinafter referred to as "Chesapeake", and XXXX, a (State's Name) Corporation hereinafter referred to as "Shipper."

Witnesseth

WHEREAS, Chesapeake is a party to a Firm Transportation Service Agreement, Contract No. 5057, dated October 1, 1993, or any successor Agreement thereto, with Florida Gas Transmission Company ("FGT") under FGT's Rate Schedule FTS-1 (which agreement is hereinafter referred to as "the FTS-1 Service Agreement"); and

WHEREAS, Shipper has requested that Chesapeake receive certain quantities of gas for Shipper's account, transport such quantities on Chesapeake's distribution system, and redeliver same to Shipper Facility located at _____County, Florida, and Chesapeake agrees to provide such service in accordance with the terms hereof; and

WHEREAS, Shipper desires Gas Transportation service, and Chesapeake is willing to furnish such service under its applicable Rate Schedule ____and provisions of the General Rules and Regulations of its Florida Public Service Commission ("FPSC") - approved Natural Gas Tariff; and

WHEREAS, Chesapeake wishes to relinquish to Shipper, and Shipper wishes to acquire, a portion of Chesapeake's firm capacity rights under the FTS-1 Service Agreement, which firm capacity rights Chesapeake is entitled to relinquish pursuant to the capacity relinquishment provisions of the General Terms and Conditions of FGT's Federal Energy Regulatory Commission ("FERC") Gas Tariff, and subject to the terms and conditions of this Agreement; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the Parties agree as follows:

Article I: Definitions

Unless another definition is expressly stated within this Agreement, the following terms and abbreviations, when used in this Agreement and in all exhibits, recitals, and appendices contained or attached to this Agreement, are intended to and will mean as follows:

1.1 "Acquiring Shipper"

means Shipper

1.2 "Btu"

means the amount of heat required to raise the temperature of one pound of water from 59 degrees Fahrenheit to 60 degrees Fahrenheit at a constant pressure of 14.73 p.s.i.a.

1.3 "Day"

means a period of 24 consecutive hours beginning and ending at 9:00 a.m. Central Clock Time ("CCT"); provided that, in the event of a change in the definition of the corresponding term in the tariff of Florida Gas Transmission Company ("FGT") on file with the Federal Energy Regulatory Commission ("FERC"), this definition shall be deemed to be amended automatically so that it is identical at all times to the definition of the corresponding term in said tariff.

1.4 "Dekatherm" (Dt)

means 1,000,000 Btu's or ten (10) therms.

1.5 "Delivery Point"

means the point at the connection of the facilities of an upstream party and a downstream party's facility at which the gas leaves the outlet side of the measuring equipment of the upstream party and enters the downstream party's facility.

1.6 "DRN #"

means the unique identifying number assigned to Receipt and Delivery Points.

1.7 "Firm Capacity Rights"

means the right of a Shipper to receive, and the obligation of Transporter to make available for delivery, quantities at Shipper's Primary Delivery Points up to the stated MDTQ, pursuant to the terms and conditions of the FGT FERC Gas Tariff and any applicable Service Agreement or Service Agreements providing for Firm Transportation Service.

1.8 "Gas"

means natural gas which is in conformance with the quality specifications of the Transporter.

1.9 "Maximum Daily Transportation Quantity" or "MDTQ"

means the largest quantity of gas, expressed in Dts, that Transporter is obligated to transport and make available for delivery to a Shipper under any applicable Service Agreement or Service Agreements for Firm Transportation Service on any one day.

1.10 "Month"

means a period beginning at 9:00 a.m. CCT on the first day of a calendar month and ending at 9:00 a.m. CCT on the first day of the next succeeding calendar month; provided that, in the event of a change in the definition of the corresponding term in the tariff of Florida Gas Transmission Company ("FGT") on file with the Federal Energy Regulatory Commission ("FERC"), this definition shall be deemed to be amended automatically so that it is identical at all times to the definition of the corresponding term in said tariff.

1.11 "Nomination"

means a request by a party to a producer, pipeline or local distribution company for receipt or delivery of a physical quantity of gas pursuant to a Transportation Service Agreement. A nomination specifies (I) the quantity of gas per day, measured in Dts, to be received or delivered on behalf of the nominating party, (ii) the point(s) at which the gas is to be received and delivered and (iii) the period of time in which the delivery is to take place.

1.12 "p.s.i.a."

means pounds per square inch absolute.

1.13 "Recall"

means the recall, by Relinquishing Shipper, of Firm Capacity Rights formerly released to an Acquiring Shipper.

1.14 "Receipt Point"

means the point at which gas is received by Transporter into Transporter's system from an upstream service or facility.

1.15 "Release"

means a relinquishment of Firm Capacity Rights by a Shipper.

1.16 "Relinquishing Shipper"

means Chesapeake Utilities Corporation.

1.17 "Shipper"

means_____, the party that has contracted with Transporter for transportation service.

1.18 "Therm"

means a unit of heat equal to 100,000 Btu's.

1.19 "Transporter"

means FGT, the party receiving gas at the receipt point(s) and transporting volumes to the point(s) of delivery.

1.20 "Zone"

means a production zone, as follows: FGT divides its pipeline supply territory into three zones. Zone one (1) originates at compressor station #2 and extends to the suction side of compressor station #7. Zone two (2) originates at the discharge side of compressor station #7 and extends to the suction side of compressor station #8. Zone three (3) originates at the discharge side of compressor station # 8 and extends to station #12; provided that, in the event of a change in the definition of the corresponding term in the tariff of Florida Gas Transmission Company ("FGT") on file with the Federal Energy Regulatory Commission ("FERC"), this definition shall be deemed to be amended automatically so that it is identical at all times to the definition of the corresponding term of said tariff.

Capacity Relinquishment Section

ARTICLE II: Scope of Capacity Relinquishment

2.1

Chesapeake shall relinquish to Shipper, subject to the terms and conditions of this Agreement, a portion of the firm capacity rights which Chesapeake is entitled to relinquish under the FTS-1 Service Agreement. Chesapeake's relinquishment of FTS-1 capacity rights hereunder shall be subject to the terms and conditions governing pre-arranged temporary point-to-point relinquishment of FTS-1 capacity rights, as set forth in the General Terms and Conditions of FGT's FERC Gas Tariff, as such provisions may be amended from time to time, subject to approval by the FERC. Chesapeake represents and warrants that, on the date of execution of this Agreement: (a) the FTS-1 Service Agreement is in full force and effect and has not been assigned by Chesapeake, and (b) Chesapeake is not in default of any of its obligations under the FTS-1 Service Agreement.

2.2

The FGT Primary Point(s) of Receipt under the FTS-1 Service Agreement which Chesapeake shall relinquish hereunder during various months of the year are set forth in Exhibit A to this Agreement, which is incorporated herein by reference and made a part hereof. The Maximum Daily Transportation Quantity ("MDTQ") and the associated FGT Primary Delivery Point capacity to be relinquished hereunder shall be as set forth in Exhibit B to this Agreement, which is incorporated herein by reference and made a part hereof.

2.3

Chesapeake shall provide to FGT the notice of capacity relinquishment required under the General Terms and Conditions of FGT's FERC Gas Tariff. Chesapeake shall also diligently and in a timely manner take all other actions required under the General Terms and Conditions of FGT's FERC Gas Tariff to relinquish its firm capacity rights to Shipper.

2.4

Shipper shall accept the firm capacity relinquishment from Chesapeake subject to the terms and conditions of this Agreement and the General Terms and Conditions of FGT's FERC Gas Tariff governing such relinquishments. Shipper shall also diligently and in a timely manner take all other actions required under the General Terms and Conditions of FGT's FERC Gas Tariff to acquire the firm capacity rights to be relinquished hereunder.

2.5

The firm capacity relinquishment contemplated hereunder shall become effective on_____ and remain in effect until _____ unless terminated earlier subject to the terms and conditions of this Agreement.

ARTICLE III: Relinquished Capacity Charges

3.1

Commencing on the effective date of the capacity relinquishment to Shipper

under the FTS-1 Service Agreement, as identified in Section 2.5 above, and continuing until this Agreement is terminated or expires, Shipper shall pay to FGT the maximum applicable tariff rate allowed by FERC for the capacity relinquished under said FTS-1 Service Agreement and shall indemnify Chesapeake and hold it harmless from any and all FTS-1 rates and charges assessed by FGT to Chesapeake for the relinquished capacity during the period that this Agreement remains in effect.

3.2

Upon the effective date of any recall by Chesapeake of any portion or all of the relinquished capacity, as provided in Section 4.2 or Section 4.3 hereof, Chesapeake shall be responsible for and shall pay all of FGT's rates and charges for such recalled capacity under the FTS-1 Service Agreement during the period of such recall. Chesapeake shall indemnify Shipper and hold it harmless from any and all such charges assessed by FGT to Shipper for the recalled capacity after the effective date of such recall.

ARTICLE IV: Use of Relinquished Capacity; Recall Rights

4.1

Commencing on the effective date of the capacity relinquishments defined in Section 2.5 hereof, Shipper shall acquire the FTS-1 capacity rights relinquished by Chesapeake hereunder and shall be entitled to use such capacity subject to (a) the General Terms and Conditions of FGT's FERC Gas Tariff applicable to capacity relinquishments, and (b) the terms and conditions of this Agreement.

4.2

Chesapeake shall have the right to recall temporarily or permanently a portion or all of the firm capacity rights relinquished hereunder, subject to the applicable notice requirements in FGT's FERC Gas Tariff, in the event that (a) Shipper without Chesapeake's prior written consent, (I) re-relinquishes to a third party any portion or segment of the FTS-1 capacity relinquished by Chesapeake, (ii) requests a Primary Receipt Point other than those specified in Exhibit A to this

Agreement, or (iii) uses the relinquished capacity to move quantities of gas to a delivery point on FGT's system at which Chesapeake is not the Delivery Point Operator as defined in FGT's Tariff; (b) Shipper nominates for delivery at its delivery point on Chesapeake's system less than eighty (80) percent of the capacity relinquished hereunder by Chesapeake; or (c) Shipper breaches its contractual obligations of payment to FGT for capacity obtained under the capacity relinquishment provided for by this Agreement; or (d) Shipper otherwise breaches the terms and conditions of this Agreement. In the event that Chesapeake temporarily recalls a portion of the relinquished capacity under this Section 4.2, Chesapeake shall re-relinquish such capacity to Shipper subject to compliance with the provisions of Sections 2.3 and 2.4 hereof as to such recalled capacity, within ten (10) days after Shipper has provided assurance satisfactory to Chesapeake, in Chesapeake's sole discretion, that the cause which gave rise to Chesapeake's recall right has been removed. Neither a temporary nor a permanent recall under this Section 4.2 of a portion or all of the capacity relinquished under this Agreement shall become effective until Chesapeake has given Shipper notice in writing specifying the cause for the recall and Shipper has had ten (10) days after receipt of such notice to remove or correct the cause for the recall.

4.3

In the event that Chesapeake needs a portion of the relinquished FTS-1 capacity to serve its peak demand requirements, Chesapeake shall have the right to temporarily recall the firm capacity rights relinquished hereunder, pursuant to the provisions governing Curtailment of service as set forth in Chesapeake's Natural Gas Curtailment Plan, as approved by the Florida Public Service Commission (FPSC).

Firm Transportation Service Section

Article V: Points of Delivery and Redelivery

5.1

Shipper shall cause the Transporter to deliver to Chesapeake at the delivery point on the Transporter's system, (which specified delivery point is hereinafter referred to as "Transporter's Delivery Point"), the quantities of gas to be transported by Chesapeake hereunder. Chesapeake shall have no responsibility for transportation of Shipper's gas prior to receipt of such gas from the Transporter at Transporter's Delivery Point. Chesapeake shall deliver such quantities of gas received from the Transporter at Transporter's Delivery Point for Shipper's account to Chesapeake's Delivery Point at Shipper's Facility located at _____, Polk County, Florida, (hereinafter referred to as "Chesapeake's Delivery Point" or "Shipper's Facility").

Article VI: Quantities

6.1

Subject to the terms and conditions of this Agreement, Chesapeake agrees to receive from the Transporter, at Transporter's Delivery Point, on a daily basis, a quantity of gas up to Shipper's Maximum Daily Transportation Quantity ("MDTQ"), and Chesapeake agrees to transport and deliver equivalent quantities to Shipper at Chesapeake's Delivery Point located at Shipper's Facility. Shipper's MDTQ under this Agreement shall be the quantity of gas per day as shown in Exhibit B to this Agreement, which is incorporated herein by reference and made a part hereof.

Article VII: Scheduling and Balancing

7.1

Shipper shall be responsible for nominating quantities of gas to be delivered by the Transporter to Transporter's Delivery Point and delivered by Chesapeake to Shipper's Facility. Shipper shall promptly provide notice to Chesapeake of all such nominations. Such notices shall be provided to Chesapeake by facsimile transmission. Imbalances between quantities (I) scheduled for delivery by the Transporter to Chesapeake and/or delivery by Chesapeake to Shipper's Facility, and (ii) actually delivered by the Transporter and/or Chesapeake hereunder, shall be resolved in accordance with the applicable provisions of Chesapeake's Florida Public Service Commission ("FPSC") Natural Gas Tariff, as such provisions may

be amended from time to time, subject to approval by the FPSC.

7.2

The Parties hereto recognize the desirability of maintaining a uniform rate of flow of gas to Shipper's Facility over each 24-hour period and each day throughout each month. Therefore, Chesapeake agrees to receive from the Transporter for Shipper's account at Transporter's Delivery Point and deliver to Chesapeake's Delivery Point up to the MDTQ as described in Exhibit B attached hereto, subject to any restrictions imposed by the Transporter and to the provisions of Articles VIII and XIX of this Agreement, and Shipper agrees to use commercially reasonable efforts to regulate its deliveries from Chesapeake's gas distribution system at a daily rate of flow not to exceed the aggregate of the applicable MDTQ and MDCQ for the month in question, subject to any additional restrictions imposed by the Transporter or by Chesapeake pursuant to Articles VII and IX of this Agreement.

Article VIII: Curtailment

8.1

This Agreement in all respects shall be and remain subject to the applicable provisions of the General Rules and Regulations of Chesapeake's Natural Gas Tariff and\or Curtailment Plan, as they specifically apply to curtailment, and as approved by the FPSC or its appropriate successor agency or authority, all of which are made a part hereof by this reference.

Article IX: Title, Control and Indemnification

9.1

Shipper warrants that it will have good and merchantable title to all gas delivered by the Transporter to Chesapeake for Shipper's account at Transporter's Delivery Point, and that such gas will be free and clear of all liens, encumbrances, and claims whatsoever. Shipper will indemnify Chesapeake and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorneys' fees, losses, and expenses arising from or out of the adverse claim of any and all

persons to said gas. Chesapeake will indemnify Shipper and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorney's fees, losses, and expenses arising from or out of the adverse claim of any and all persons to gas delivered for the account of Shipper to Chesapeake for transportation hereunder which arise from or relate to Chesapeake's transportation of said gas on Chesapeake's distribution system. In the event any adverse claim in respect to said gas is asserted, or Shipper breaches its warranty herein, Chesapeake shall not be required to perform its obligations to transport and deliver gas to Shipper's Facility or, subject to receipt of any necessary regulatory authorization, to continue service hereunder for Shipper until such claim has been finally determined; provided, however, that Shipper may receive service if (I) in the case of an adverse claim, Shipper furnishes a bond to Chesapeake, conditioned for the protection of Chesapeake with respect to such claim; or (ii) in the case of a breach of warranty, Shipper furnishes evidence, satisfactory to Chesapeake, of Shipper 's title to said gas.

9.2

Chesapeake shall be deemed to be in control and possession of the gas to be transported by it upon delivery of such gas by the Transporter to Chesapeake for Shipper's account at Transporter's Delivery Point and until it shall have been delivered to Shipper at Chesapeake's Delivery Point located at Shipper's Facility; and Shipper shall be deemed to be in control and possession of such gas prior to such delivery to Chesapeake and after such delivery by Chesapeake to Shipper. Each party, while deemed to be in control and possession of such gas, shall be responsible for, and shall indemnify and hold the other harmless from any and all claims, actions, suits, including attorney's fees, arising out of or relating in any way to custody and control of such gas.

Article X: Rate

10.1

The rate to be charged for each therm of gas delivered hereunder by Chesapeake, up to the MDTQ established by this Agreement, shall be the rate set forth on the _____ rate schedule in Chesapeake's FPSC Natural Gas Tariff. This rate includes

the charges per therm for transportation service by Chesapeake under Chesapeake's approved FTS Transportation Service Rate Schedule. Chesapeake and Shipper recognize that (I) the ____ transportation rate schedule may change from time to time due to changes in Chesapeake's operations and (ii) that the aforesaid or otherwise applicable rates and rate schedules may be revised, amended or superseded from time to time subject to the approval of the FPSC. Chesapeake and Shipper agree that in any such case, the newly applicable transportation rate schedule or the transportation rate schedule that supersedes any applicable transportation rate schedule or the revised or amended transportation rate schedule, as the case may be, shall apply to this Agreement.

10.2

Nothing contained in this Agreement shall prevent Chesapeake from proposing to, and filing with, the FPSC: (I) changes and revisions to any effective rate schedule, (ii) superseding rate schedules, or (iii) any other modifications to its tariff for the purpose of changing the rates, charges and other provisions applicable to the service provided under this Agreement. Nothing contained in this Agreement shall prevent Shipper from opposing any changes, revisions or modifications contained in any proposal or filing made by Chesapeake to or with the FPSC that affect the charges or other provisions applicable to service provided under this Agreement, or from pursuing any other available legal remedy with respect to such changes, revisions or modifications.

10.3

If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should increase any present tax or levy any additional tax, relating to the service provided by Chesapeake under this Agreement, any such additional tax required by law to be paid by Chesapeake shall, in Chesapeake's discretion, insofar as such discretion is provided for under applicable law, be either separately stated on the total amount of the bill or computed on a cents per therm basis and added to the then effective rate for Chesapeake's services hereunder. If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should decrease or eliminate any tax relating to the service provided

by Chesapeake under this Agreement, the reduction in such tax required to be paid by Chesapeake shall, in Chesapeake's discretion, insofar as such discretion is provided for under applicable law, be either separately stated as a deduction to the total amount of the bill or computed on a cents per therm basis and subtracted from the then effective rate hereunder.

ARTICLE XI: Force Majeure

11.1

Chesapeake shall not be liable for failure to deliver gas under this Service Agreement, nor shall Shipper be liable for failure to take gas under this Service Agreement, which failure is due to any cause or act constituting Force Majeure as defined in the Chesapeake's FPSC-approved Natural Gas Tariff, which Force Majeure interferes with Chesapeake delivering or Shipper taking delivery of or using the gas.

Term and Other Provisions

ARTICLE XII: Term

12.1

This Agreement shall be effective upon its date of execution by both parties and shall continue in effect until _____; provided, however, this Agreement may be terminated earlier: (a) at Chesapeake's option, upon the effective date of Chesapeake's exercise of permanent recall rights in accordance with the provisions of Section 4.2 hereof, only as to the permanently recalled capacity, and this Agreement shall remain in full force and effect as to any firm capacity relinquished hereunder which is not recalled permanently by Chesapeake; (b) upon the expiration or termination of Chesapeake's FTS-1 Service Agreement with FGT; or (c) otherwise in accordance with the Parties' respective rights under applicable law. This Agreement shall be extended on a year-to-year basis after _____, unless terminated by either Party, with at least ninety (90) days written notice to the other Party prior to the termination date.

ARTICLE XIII: Assignment and Transfer

13.1

No assignment of this Agreement by either party may be made without the prior written approval of the other party (which approval shall not be unreasonably withheld) and unless the assigning or transferring party's assignee or transferee shall expressly assume, in writing, the duties and obligations under this Agreement of the assigning or transferring party, and upon such assignment or transfer and assumption of the duties and obligations, the assigning or transferring party shall furnish or cause to be furnished to the other party a true and correct copy of such assignment or transfer and assumption of duties and obligations.

ARTICLE XIV: Governmental Authorizations; Compliance With Law

14.1

This Agreement shall be subject to all valid applicable state, local and federal laws, orders, directives, rules and regulations of any governmental body, agency or official having jurisdiction over this Agreement. The parties shall comply at all times with all applicable Federal, state, municipal, and other laws, ordinances and regulations. The parties will furnish any information or execute any documents required by any duly constituted Federal or state regulatory authority in connection with the performance of this Agreement. In the event this Agreement or any provisions herein shall be found contrary to or in conflict with any such law, order, directive, rule or regulation, the latter shall be deemed to control, but nothing in this Agreement shall prevent either Party from contesting the validity of any such law, order, directive, rule or regulation, nor shall anything in this Agreement be construed to require either Party to waive its respective rights to assert the lack of jurisdiction of the FPSC or the FERC over this Agreement or any part thereof. In the event any law, order, directive, rule, or regulation shall prevent either Party from performing hereunder, then neither Party shall have any obligation to the other during the period that performance is precluded.

14.2

This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida, excluding any conflicts of laws rules that would require the application of the laws of another jurisdiction, and shall be subject to all applicable laws, rules, orders and regulations of any Federal, state or local governmental authority having jurisdiction over the parties, their facilities or the transactions contemplated herein. The venue for any action, at law or in equity, commenced by either party against the other and arising out of or in connection with this Agreement shall be in a court of the State of Florida having jurisdiction.

ARTICLE XV: Notices

15.1

Except as otherwise provided herein, any notice, request, demand, statement or report pertaining to this Agreement shall be in writing and shall be considered as effective on the receipt date, when mailed by certified or registered mail, or on the date sent by facsimile transmission or express mail service.

15.2

All Communications with respect to this Agreement shall be sent to the following addresses:

To Chesapeake:
Chesapeake Utilities Corporation
P.O. Box 960
Winter Haven, Florida 33882
Contact Person: Manager Of Gas Supply
Telephone: (863) 293-2125
Facsimile: (863) 294-3895

To Shipper :
XXXX
STREET NO STREET
CITY, Florida 33823

Attention: Production Manager
Telephone: (xxx) xxx-xxxx
Facsimile: (xxx) xxx-xxxx

ARTICLE XVI: Miscellaneous

16.1 Headings.

All article headings, section headings and subheadings in this Agreement are inserted only for the convenience of the Parties in identification of the provisions hereof and shall not affect any construction or interpretation of this Agreement.

16.2 Entire Agreement.

This Agreement, including the exhibits attached hereto, sets forth the full and complete understanding of the parties as of the date of its execution by both parties, and it supersedes any and all prior negotiations, agreements and understandings with respect to the subject matter hereof. No party shall be bound by any other obligations, conditions or representations with respect to the subject matter of this Agreement.

16.3 Amendments.

Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing signed by the Party against which enforcement of the termination, amendment, supplement, waiver or modification shall be sought. A change in (a) the place to which notices pursuant to this Agreement must be sent or (b) the individual designated as the Contact Person pursuant to section 18.2 shall not be deemed nor require an amendment of this Agreement provided such change is communicated in accordance with section 18.1 of this Agreement. Further, the Parties expressly acknowledge that the limitations on amendments to this Agreement set forth in this section shall not apply to or otherwise limit the effectiveness of amendments which are necessary to comply with the requirements of, or are otherwise approved by, FERC or its successor agency or authority.

16.4 Severability.

If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided however that if such severability materially changes the economic benefits of this Agreement to either party, the parties shall negotiate an equitable adjustment in the provisions of this Agreement in good faith.

16.5 Waiver.

No waiver of any of the provisions of this Agreement shall be deemed to be, nor shall it constitute, a waiver of any other provision whether similar or not. No single waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

16.6 Legal Fees.

In the event of litigation between the parties hereto arising out of or in connection with this Agreement, then the reasonable attorneys' fees and costs of the party prevailing in such litigation shall be paid by the other party.

16.7 Independent Parties.

Chesapeake and Shipper shall perform hereunder as independent parties and neither Chesapeake nor Shipper is in any way or for any purpose, by virtue of this Agreement or otherwise, a partner, joint venturer, agent, employer or employee of the other. Nothing in this Agreement shall be for the benefit of any third person for any purpose, including, without limitation, the establishing of any type of duty, standard of care or liability with respect to any third person.

16.8 Counterparts.

This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original instrument as against any party who has signed it.

Article XVII: Chesapeake's Tariff Provisions

17.1

Chesapeake's applicable Rate Schedule provisions and applicable Subsections of the General Rules and Regulations of Chesapeake's Natural Gas Tariff approved with the FPSC, including any amendments thereto approved by the FPSC during the term of this Agreement, are hereby incorporated into this Agreement and made a part hereof for all purposes. In the event of any conflict between said provisions of Chesapeake's FPSC Tariff and specific provisions of this Agreement, the latter shall prevail, in the absence of an FPSC Order to the contrary.

IN WITNESS WHEREOF, the parties have duly executed this Agreement, in multiple originals, effective as of the date of execution by both parties.

Shipper:
XXXX

ATTEST: _____ BY: _____

DATE: _____ TITLE: _____

Chesapeake:
Chesapeake Utilities Corporation

ATTEST: _____ BY: _____

DATE: _____ TITLE: _____

Exhibit A

Point(s) of Receipt

Period	MDQ Dts	Zone 1 DRN #	Zone 1 Dts	Zone 2 DRN #	Zone 2 Dts	Zone 3 DRN#	Zone 3 Dts
Jan							
Feb							
Mar							
Apr							
May							
Jun							
Jul							
Aug							
Sep							
Oct							
Nov							
Dec							

Chesapeake:
Chesapeake Utilities Corporation

Shipper:
XXXX

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

Exhibit B

Capacity at Delivery Point(s)

Description	Primary DRN #	Month	MDTQ (Dts)
		January	
		February	
		March	
		April	
		May	
		June	
		July	
		August	
		September	
		October	
		November	
		December	

Chesapeake:
Chesapeake Utilities Corporation

Shipper:
XXXX

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

Exhibit C

Maximum Daily Contact Quantities (MDCQ)

Description	Primary DRN#	Month	MDCQ (Dts)
		January	
		February	
		March	
		April	
		May	
		June	
		July	
		August	
		September	
		October	
		November	
		December	

Chesapeake:
Chesapeake Utilities Corporation

By: _____

Title: _____

Date: _____

Shipper:
XXXX

By: _____

Title: _____

Date: _____

Aggregated Transportation Agreement
LETTER OF AUTHORIZATION

Central Florida Gas
A Division of Chesapeake Utilities Corporation

Please Send Request To:

Central Florida Gas
ATTN: Gas Supply
P.O. Box 960
Winter Haven, FL 33881

Fax Number: 863.294.3895

CUSTOMER NAME

Full Legal Name:	Date:
Address:	
Telephone Number:	Fax Number:
Customer Contact: (Name)	(Title):
Account Number:	Address for Billing and Invoices:

SUPPLIER INFORMATION

Pool Manager Name:	Pipeline Contract No:
Address:	
Pool Contact: (Name)	
Telephone Number:	Fax Number:

Signature: _____ Date: _____

Title: _____

Issued by: John R. Schimkaitis, President
Chesapeake Utilities Corporation

Effective:

Aggregated Transportation Services Agreement

(Pool Manager Agreement)

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This AGGREGATED TRANSPORTATION SERVICES AGREEMENT ("Agreement") is made and entered into by and between Chesapeake Utilities Corporation, a Delaware corporation doing business in Florida as Central Florida Gas Company and hereinafter referred to as "Chesapeake", and XXXX, a (State's Name) Corporation hereinafter referred to as "Shipper."

Witnesseth

WHEREAS, Chesapeake is a party to a Firm Transportation Service Agreement, Contract No. 5057, dated October 1, 1993, or any successor Agreement thereto, with Florida Gas Transmission Company ("FGT") under FGT's Rate Schedule FTS-1 (which agreement is hereinafter referred to as "the FTS-1 Service Agreement"); and

WHEREAS, Shipper has requested that Chesapeake receive certain quantities of gas for Shipper's account, transport such quantities on Chesapeake's distribution system, and redeliver same to Shipper's Customers on the Company's natural gas distribution system, and Chesapeake agrees to provide such service in accordance with the terms hereof; and

WHEREAS, Shipper desires Gas Transportation service, and Chesapeake is willing to furnish such service under its applicable Rate Schedule ____and provisions of the General Rules and Regulations of its Florida Public Service Commission ("FPSC") - approved Natural Gas Tariff; and

WHEREAS, Chesapeake wishes to relinquish to Shipper, and Shipper wishes to acquire, a portion of Chesapeake's firm capacity rights under the FTS-1 Service Agreement, which firm capacity rights Chesapeake is entitled to relinquish pursuant to the capacity relinquishment provisions of the General Terms and Conditions of FGT's Federal Energy Regulatory Commission ("FERC") Gas Tariff, and subject to the terms and conditions of this Agreement; and

NOW, THEREFORE, in consideration of the premises and the mutual

covenants and agreements herein contained, the Parties agree as follows:

Article I: Definitions

Unless another definition is expressly stated within this Agreement, the following terms and abbreviations, when used in this Agreement and in all exhibits, recitals, and appendices contained or attached to this Agreement, are intended to and will mean as follows:

I.1 "Acquiring Shipper"

means Shipper, also means "Pool Manager".

I.2 "Btu"

means the amount of heat required to raise the temperature of one pound of water from 59 degrees Fahrenheit to 60 degrees Fahrenheit at a constant pressure of 14.73 p.s.i.a.

I.3 "Day"

means a period of 24 consecutive hours beginning and ending at 9:00 a.m. Central Clock Time ("CCT"); provided that, in the event of a change in the definition of the corresponding term in the tariff of Florida Gas Transmission Company ("FGT") on file with the Federal Energy Regulatory Commission ("FERC"), this definition shall be deemed to be amended automatically so that it is identical at all times to the definition of the corresponding term in said tariff.

I.4 "Dekatherm" (Dt)

means 1,000,000 Btu's or ten (10) therms.

I.5 "Delivery Point"

means the point at the connection of the facilities of an upstream party and a downstream party's facility at which the gas leaves the outlet side of the

measuring equipment of the upstream party and enters the downstream party's facility.

1.6 "DRN #"

means the unique identifying number assigned to Receipt and Delivery Points.

1.7 "Firm Capacity Rights"

means the right of a Shipper to receive, and the obligation of Transporter to make available for delivery, quantities at Shipper's Primary Delivery Points up to the stated MDTQ, pursuant to the terms and conditions of the FGT FERC Gas Tariff and any applicable Service Agreement or Service Agreements providing for Firm Transportation Service.

1.8 "Gas"

means natural gas which is in conformance with the quality specifications of the Transporter.

1.9 "Maximum Daily Transportation Quantity" or "MDTQ"

means the largest quantity of gas, expressed in Dts, that Transporter is obligated to transport and make available for delivery to a Shipper under any applicable Service Agreement or Service Agreements for Firm Transportation Service on any one day.

1.10 "Month"

means a period beginning at 9:00 a.m. CCT on the first day of a calendar month and ending at 9:00 a.m. CCT on the first day of the next succeeding calendar month; provided that, in the event of a change in the definition of the corresponding term in the tariff of Florida Gas Transmission Company ("FGT") on file with the Federal Energy Regulatory Commission ("FERC"), this definition shall be deemed to be amended automatically so that it is identical at all times to the definition of the corresponding term in said tariff.

1.11 "Nomination"

means a request by a party to a producer, pipeline or local distribution company for receipt or delivery of a physical quantity of gas pursuant to an Aggregated Transportation Service Agreement. A nomination specifies (I) the quantity of gas per day, measured in Dts, to be received or delivered on behalf of the nominating party, (ii) the point(s) at which the gas is to be received and delivered and (iii) the period of time in which the delivery is to take place.

1.12 "Pool Manager"

means an entity that provides gas supply and interstate capacity management for an aggregated number of customers on the Company's distribution system which has been approved as a shipper on the interstate pipeline system upstream of the Company's city gate, entered into Letters of Authorization to sell gas to, or procure gas for customer accounts desiring to receive service pursuant to the TA Service, and, executed and delivered to Company an Aggregated Transportation Service Agreement (Pool Manager Agreement).

1.13 "p.s.i.a."

means pounds per square inch absolute.

1.14 "Recall"

means the recall, by Relinquishing Shipper, of Firm Capacity Rights formerly released to an Acquiring Shipper.

1.15 "Receipt Point"

means the point at which gas is received by Transporter into Transporter's system from an upstream service or facility.

1.16 "Release"

means a relinquishment of Firm Capacity Rights by a Shipper.

1.17 "Relinquishing Shipper"

means Chesapeake Utilities Corporation.

1.18 "Shipper"

means_____, the party that has contracted with Transporter for aggregated transportation service.

1.19 "Therm"

means a unit of heat equal to 100,000 Btu's.

1.20 "Transporter"

means FGT, the party receiving gas at the receipt point(s) and transporting volumes to the point(s) of delivery.

1.21 "Zone"

means a production zone, as follows: FGT divides its pipeline supply territory into three zones. Zone one (1) originates at compressor station #2 and extends to the suction side of compressor station #7. Zone two (2) originates at the discharge side of compressor station #7 and extends to the suction side of compressor station #8. Zone three (3) originates at the discharge side of compressor station # 8 and extends to station #12; provided that, in the event of a change in the definition of the corresponding term in the tariff of Florida Gas Transmission Company ("FGT") on file with the Federal Energy Regulatory Commission ("FERC"), this definition shall be deemed to be amended automatically so that it is identical at all times to the definition of the corresponding term of said tariff.

Capacity Relinquishment Section

ARTICLE II: Scope of Capacity Relinquishment

2.1

Chesapeake shall relinquish to Shipper, subject to the terms and conditions of this Agreement, a portion of the firm capacity rights which Chesapeake is entitled to relinquish under the FTS-1 Service Agreement. Chesapeake's relinquishment of FTS-1 capacity rights hereunder shall be subject to the terms and conditions governing pre-arranged temporary point-to-point relinquishment of FTS-1

capacity rights, as set forth in the General Terms and Conditions of FGT's FERC Gas Tariff, as such provisions may be amended from time to time, subject to approval by the FERC. Chesapeake represents and warrants that, on the date of execution of this Agreement: (a) the FTS-1 Service Agreement is in full force and effect and has not been assigned by Chesapeake, and (b) Chesapeake is not in default of any of its obligations under the FTS-1 Service Agreement.

2.2

The FGT Primary Point(s) of Receipt under the FTS-1 Service Agreement which Chesapeake shall relinquish hereunder during various months of the year are set forth in Exhibit A to this Agreement, which is incorporated herein by reference and made a part hereof. The Maximum Daily Transportation Quantity ("MDTQ") and the associated FGT Primary Delivery Point capacity to be relinquished hereunder shall be as set forth in Exhibit B to this Agreement, which is incorporated herein by reference and made a part hereof.

2.3

Chesapeake shall provide to FGT the notice of capacity relinquishment required under the General Terms and Conditions of FGT's FERC Gas Tariff. Chesapeake shall also diligently and in a timely manner take all other actions required under the General Terms and Conditions of FGT's FERC Gas Tariff to relinquish its firm capacity rights to Shipper.

2.4

Shipper shall accept the firm capacity relinquishment from Chesapeake subject to the terms and conditions of this Agreement and the General Terms and Conditions of FGT's FERC Gas Tariff governing such relinquishments. Shipper shall also diligently and in a timely manner take all other actions required under the General Terms and Conditions of FGT's FERC Gas Tariff to acquire the firm capacity rights to be relinquished hereunder.

2.5

The firm capacity relinquishment contemplated hereunder shall become effective on_____ and remain in effect until _____ unless terminated earlier subject

to the terms and conditions of this Agreement.

ARTICLE III: Relinquished Capacity Charges

3.1

Commencing on the effective date of the capacity relinquishment to Shipper under the FTS-1 Service Agreement, as identified in Section 2.5 above, and continuing until this Agreement is terminated or expires, Shipper shall pay to FGT the maximum applicable tariff rate allowed by FERC for the capacity relinquished under said FTS-1 Service Agreement and shall indemnify Chesapeake and hold it harmless from any and all FTS-1 rates and charges assessed by FGT to Chesapeake for the relinquished capacity during the period that this Agreement remains in effect.

3.2

Upon the effective date of any recall by Chesapeake of any portion or all of the relinquished capacity, as provided in Section 4.2 or Section 4.3 hereof, Chesapeake shall be responsible for and shall pay all of FGT's rates and charges for such recalled capacity under the FTS-1 Service Agreement during the period of such recall. Chesapeake shall indemnify Shipper and hold it harmless from any and all such charges assessed by FGT to Shipper for the recalled capacity after the effective date of such recall.

ARTICLE IV: Use of Relinquished Capacity; Recall Rights

4.1

Commencing on the effective date of the capacity relinquishments defined in Section 2.5 hereof, Shipper shall acquire the FTS-1 capacity rights relinquished by Chesapeake hereunder and shall be entitled to use such capacity subject to (a) the General Terms and Conditions of FGT's FERC Gas Tariff applicable to capacity relinquishments, and (b) the terms and conditions of this Agreement.

4.2

Chesapeake shall have the right to recall temporarily or permanently a portion

or all of the firm capacity rights relinquished hereunder, subject to the applicable notice requirements in FGT's FERC Gas Tariff, in the event that (a) Shipper without Chesapeake's prior written consent, (I) re-relinquishes to a third party any portion or segment of the FTS-1 capacity relinquished by Chesapeake, (ii) requests a Primary Receipt Point other than those specified in Exhibit A to this Agreement, or (iii) uses the relinquished capacity to move quantities of gas to a delivery point on FGT's system at which Chesapeake is not the Delivery Point Operator as defined in FGT's Tariff; (b) Shipper nominates for delivery at its delivery point on Chesapeake's system less than eighty (80) percent of the capacity relinquished hereunder by Chesapeake; or (c) Shipper breaches its contractual obligations of payment to FGT for capacity obtained under the capacity relinquishment provided for by this Agreement; or (d) Shipper otherwise breaches the terms and conditions of this Agreement. In the event that Chesapeake temporarily recalls a portion of the relinquished capacity under this Section 4.2, Chesapeake shall re-relinquish such capacity to Shipper subject to compliance with the provisions of Sections 2.3 and 2.4 hereof as to such recalled capacity, within ten (10) days after Shipper has provided assurance satisfactory to Chesapeake, in Chesapeake's sole discretion, that the cause which gave rise to Chesapeake's recall right has been removed. Neither a temporary nor a permanent recall under this Section 4.2 of a portion or all of the capacity relinquished under this Agreement shall become effective until Chesapeake has given Shipper notice in writing specifying the cause for the recall and Shipper has had ten (10) days after receipt of such notice to remove or correct the cause for the recall.

4.3

In the event that Chesapeake needs a portion of the relinquished FTS-1 capacity to serve its peak demand requirements, Chesapeake shall have the right to temporarily recall the firm capacity rights relinquished hereunder, pursuant to the provisions governing Curtailment of service as set forth in Chesapeake's Natural Gas Curtailment Plan, as approved by the Florida Public Service Commission (FPSC).

Firm Transportation Service Section

Article V: Points of Delivery and Redelivery

5.1

Shipper shall cause the Transporter to deliver to Chesapeake at the delivery point on the Transporter's system, (which specified delivery point is hereinafter referred to as "Transporter's Delivery Point"), the quantities of gas to be transported by Chesapeake hereunder. Chesapeake shall have no responsibility for transportation of Shipper's gas prior to receipt of such gas from the Transporter at Transporter's Delivery Point. Chesapeake shall deliver such quantities of gas received from the Transporter at Transporter's Delivery Point for Shipper's account to Chesapeake's Delivery Point at Shipper's Facility located at _____, Polk County, Florida, (hereinafter referred to as "Chesapeake's Delivery Point" or "Shipper's Facility").

Article VI: Quantities

6.1

Subject to the terms and conditions of this Agreement, Chesapeake agrees to receive from the Transporter, at Transporter's Delivery Point, on a daily basis, a quantity of gas up to Shipper's Maximum Daily Transportation Quantity ("MDTQ"), and Chesapeake agrees to transport and deliver equivalent quantities to Shipper at Chesapeake's Delivery Point as designated by shipper and within the quantities established in Exhibit B. Shipper's MDTQ under this Agreement shall be the quantity of gas per day as shown in Exhibit B to this Agreement, which is incorporated herein by reference and made a part hereof.

Article VII: Scheduling and Balancing

7.1

Shipper shall be responsible for nominating quantities of gas to be delivered by the Transporter to Transporter's Delivery Point and delivered by Chesapeake to Shipper's Facility. Shipper shall promptly provide notice to Chesapeake of all such nominations. Such notices shall be provided to Chesapeake by facsimile transmission. Imbalances between quantities (I) scheduled for delivery by the Transporter to Chesapeake and/or delivery by Chesapeake to Shipper's Facility,

and (ii) actually delivered by the Transporter and/or Chesapeake hereunder, shall be resolved in accordance with the applicable provisions of Chesapeake's Florida Public Service Commission ("FPSC") Natural Gas Tariff, as such provisions may be amended from time to time, subject to approval by the FPSC.

7.2

The Parties hereto recognize the desirability of maintaining a uniform rate of flow of gas to Shipper's Facility over each 24-hour period and each day throughout each month. Therefore, Chesapeake agrees to receive from the Transporter for Shipper's account at Transporter's Delivery Point and deliver to Chesapeake's Delivery Point up to the MDTQ as described in Exhibit B attached hereto, subject to any restrictions imposed by the Transporter and to the provisions of Articles VIII and XIX of this Agreement, and Shipper agrees to use commercially reasonable efforts to regulate its deliveries from Chesapeake's gas distribution system at a daily rate of flow not to exceed the aggregate of the applicable MDTQ and MDCQ for the month in question, subject to any additional restrictions imposed by the Transporter or by Chesapeake pursuant to Articles VII and IX of this Agreement.

Article VIII: Curtailment

8.1

This Agreement in all respects shall be and remain subject to the applicable provisions of the General Rules and Regulations of Chesapeake's Natural Gas Tariff and\or Curtailment Plan, as they specifically apply to curtailment, and as approved by the FPSC or its appropriate successor agency or authority, all of which are made a part hereof by this reference.

Article IX: Title, Control and Indemnification

9.1

Shipper warrants that it will have good and merchantable title to all gas delivered by the Transporter to Chesapeake for Shipper's account at Transporter's Delivery Point, and that such gas will be free and clear of all liens, encumbrances, and claims whatsoever. Shipper will indemnify Chesapeake and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorneys'

fees, losses, and expenses arising from or out of the adverse claim of any and all persons to said gas. Chesapeake will indemnify Shipper and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorney's fees, losses, and expenses arising from or out of the adverse claim of any and all persons to gas delivered for the account of Shipper to Chesapeake for transportation hereunder which arise from or relate to Chesapeake's transportation of said gas on Chesapeake's distribution system. In the event any adverse claim in respect to said gas is asserted, or Shipper breaches its warranty herein, Chesapeake shall not be required to perform its obligations to transport and deliver gas to Shipper's Facility or, subject to receipt of any necessary regulatory authorization, to continue service hereunder for Shipper until such claim has been finally determined; provided, however, that Shipper may receive service if (I) in the case of an adverse claim, Shipper furnishes a bond to Chesapeake, conditioned for the protection of Chesapeake with respect to such claim; or (ii) in the case of a breach of warranty, Shipper furnishes evidence, satisfactory to Chesapeake, of Shipper 's title to said gas.

9.2

Chesapeake shall be deemed to be in control and possession of the gas to be transported by it upon delivery of such gas by the Transporter to Chesapeake for Shipper's account at Transporter's Delivery Point and until it shall have been delivered to Shipper at Chesapeake's Delivery Point located at Shipper's Facility; and Shipper shall be deemed to be in control and possession of such gas prior to such delivery to Chesapeake and after such delivery by Chesapeake to Shipper. Each party, while deemed to be in control and possession of such gas, shall be responsible for, and shall indemnify and hold the other harmless from any and all claims, actions, suits, including attorney's fees, arising out of or relating in any way to custody and control of such gas.

Article X: Rate

10.1

The rate to be charged for each therm of gas delivered hereunder by Chesapeake, up to the MDTQ established by this Agreement, shall be the rate set forth on the _____ rate schedule in Chesapeake's FPSC Natural Gas Tariff. This rate includes

the charges per therm for transportation service by Chesapeake under Chesapeake's approved_____ Rate Schedule. Chesapeake and Shipper recognize that (I) the ____ transportation rate schedule may change from time to time due to changes in Chesapeake's operations and (ii) that the aforesaid or otherwise applicable rates and rate schedules may be revised, amended or superseded from time to time subject to the approval of the FPSC. Chesapeake and Shipper agree that in any such case, the newly applicable transportation rate schedule or the transportation rate schedule that supersedes any applicable transportation rate schedule or the revised or amended transportation rate schedule, as the case may be, shall apply to this Agreement.

10.2

Nothing contained in this Agreement shall prevent Chesapeake from proposing to, and filing with, the FPSC: (I) changes and revisions to any effective rate schedule, (ii) superseding rate schedules, or (iii) any other modifications to its tariff for the purpose of changing the rates, charges and other provisions applicable to the service provided under this Agreement. Nothing contained in this Agreement shall prevent Shipper from opposing any changes, revisions or modifications contained in any proposal or filing made by Chesapeake to or with the FPSC that affect the charges or other provisions applicable to service provided under this Agreement, or from pursuing any other available legal remedy with respect to such changes, revisions or modifications.

10.3

If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should increase any present tax or levy any additional tax, relating to the service provided by Chesapeake under this Agreement, any such additional tax required by law to be paid by Chesapeake shall, in Chesapeake's discretion, insofar as such discretion is provided for under applicable law, be either separately stated on the total amount of the bill or computed on a cents per therm basis and added to the then effective rate for Chesapeake's services hereunder. If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should decrease or eliminate any tax relating to the service provided by Chesapeake under this Agreement, the reduction in such tax required to be

paid by Chesapeake shall, in Chesapeake's discretion, insofar as such discretion is provided for under applicable law, be either separately stated as a deduction to the total amount of the bill or computed on a cents per therm basis and subtracted from the then effective rate hereunder.

ARTICLE XI: Force Majeure

11.1

Chesapeake shall not be liable for failure to deliver gas under this Service Agreement, nor shall Shipper be liable for failure to take gas under this Service Agreement, which failure is due to any cause or act constituting Force Majeure as defined in the Chesapeake's FPSC-approved Natural Gas Tariff, which Force Majeure interferes with Chesapeake delivering or Shipper taking delivery of or using the gas.

Term and Other Provisions

ARTICLE XII: Term

12.1

This Agreement shall be effective upon its date of execution by both parties and shall continue in effect until _____; provided, however, this Agreement may be terminated earlier: (a) at Chesapeake's option, upon the effective date of Chesapeake's exercise of permanent recall rights in accordance with the provisions of Section 4.2 hereof, only as to the permanently recalled capacity, and this Agreement shall remain in full force and effect as to any firm capacity relinquished hereunder which is not recalled permanently by Chesapeake; (b) upon the expiration or termination of Chesapeake's FTS-1 Service Agreement with FGT; or (c) otherwise in accordance with the Parties' respective rights under applicable law. This Agreement shall be extended on a year-to-year basis after _____, unless terminated by either Party, with at least ninety (90) days written notice to the other Party prior to the termination date.

ARTICLE XIII: Assignment and Transfer

13.1

No assignment of this Agreement by either party may be made without the prior written approval of the other party (which approval shall not be unreasonably withheld) and unless the assigning or transferring party's assignee or transferee shall expressly assume, in writing, the duties and obligations under this Agreement of the assigning or transferring party, and upon such assignment or transfer and assumption of the duties and obligations, the assigning or transferring party shall furnish or cause to be furnished to the other party a true and correct copy of such assignment or transfer and assumption of duties and obligations.

ARTICLE XIV: Governmental Authorizations; Compliance With Law

14.1

This Agreement shall be subject to all valid applicable state, local and federal laws, orders, directives, rules and regulations of any governmental body, agency or official having jurisdiction over this Agreement. The parties shall comply at all times with all applicable Federal, state, municipal, and other laws, ordinances and regulations. The parties will furnish any information or execute any documents required by any duly constituted Federal or state regulatory authority in connection with the performance of this Agreement. In the event this Agreement or any provisions herein shall be found contrary to or in conflict with any such law, order, directive, rule or regulation, the latter shall be deemed to control, but nothing in this Agreement shall prevent either Party from contesting the validity of any such law, order, directive, rule or regulation, nor shall anything in this Agreement be construed to require either Party to waive its respective rights to assert the lack of jurisdiction of the FPSC or the FERC over this Agreement or any part thereof. In the event any law, order, directive, rule, or regulation shall prevent either Party from performing hereunder, then neither Party shall have any obligation to the other during the period that performance is precluded.

14.2

This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida, excluding any conflicts of laws rules that would require the application of the laws of another jurisdiction, and shall be subject to all applicable laws, rules, orders and

regulations of any Federal, state or local governmental authority having jurisdiction over the parties, their facilities or the transactions contemplated herein. The venue for any action, at law or in equity, commenced by either party against the other and arising out of or in connection with this Agreement shall be in a court of the State of Florida having jurisdiction.

ARTICLE XV: Notices

15.1

Except as otherwise provided herein, any notice, request, demand, statement or report pertaining to this Agreement shall be in writing and shall be considered as effective on the receipt date, when mailed by certified or registered mail, or on the date sent by facsimile transmission or express mail service.

15.2

All Communications with respect to this Agreement shall be sent to the following addresses:

To Chesapeake:
Chesapeake Utilities Corporation
P.O. Box 960
Winter Haven, Florida 33882
Contact Person: Manager Of Gas Supply
Telephone: (863) 293-2125
Facsimile: (863) 294-3895

To Shipper :
XXXX
STREET NO STREET
CITY, Florida 33823
Attention: Production Manager
Telephone: (xxx) xxx-xxxx
Facsimile: (xxx) xxx-xxxx

ARTICLE XVI: Miscellaneous

16.1 Headings.

All article headings, section headings and subheadings in this Agreement are inserted only for the convenience of the Parties in identification of the provisions hereof and shall not affect any construction or interpretation of this Agreement.

16.2 Entire Agreement.

This Agreement, including the exhibits attached hereto, sets forth the full and complete understanding of the parties as of the date of its execution by both parties, and it supersedes any and all prior negotiations, agreements and understandings with respect to the subject matter hereof. No party shall be bound by any other obligations, conditions or representations with respect to the subject matter of this Agreement.

16.3 Amendments.

Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing signed by the Party against which enforcement of the termination, amendment, supplement, waiver or modification shall be sought. A change in (a) the place to which notices pursuant to this Agreement must be sent or (b) the individual designated as the Contact Person pursuant to section 18.2 shall not be deemed nor require an amendment of this Agreement provided such change is communicated in accordance with section 18.1 of this Agreement. Further, the Parties expressly acknowledge that the limitations on amendments to this Agreement set forth in this section shall not apply to or otherwise limit the effectiveness of amendments which are necessary to comply with the requirements of, or are otherwise approved by, FERC or its successor agency or authority.

16.4 Severability.

If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided however that if such severability materially changes the economic benefits of this Agreement to either party, the parties shall negotiate an equitable adjustment in the provisions of this Agreement in good faith.

16.5 Waiver.

No waiver of any of the provisions of this Agreement shall be deemed to be, nor shall it constitute, a waiver of any other provision whether similar or not. No single waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

16.6 Legal Fees.

In the event of litigation between the parties hereto arising out of or in connection with this Agreement, then the reasonable attorneys' fees and costs of the party prevailing in such litigation shall be paid by the other party.

16.7 Independent Parties.

Chesapeake and Shipper shall perform hereunder as independent parties and neither Chesapeake nor Shipper is in any way or for any purpose, by virtue of this Agreement or otherwise, a partner, joint venturer, agent, employer or employee of the other. Nothing in this Agreement shall be for the benefit of any third person for any purpose, including, without limitation, the establishing of any type of duty, standard of care or liability with respect to any third person.

16.8 Counterparts.

This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original instrument as against any party who has signed it.

Article XVII: Chesapeake's Tariff Provisions

17.1

Chesapeake's applicable Rate Schedule provisions and applicable Subsections of the General Rules and Regulations of Chesapeake's Natural Gas Tariff approved with the FPSC, including any amendments thereto approved by the FPSC during the term of this Agreement, are hereby incorporated into this Agreement and made a part hereof for all purposes. In the event of any conflict between said

provisions of Chesapeake's FPSC Tariff and specific provisions of this Agreement, the latter shall prevail, in the absence of an FPSC Order to the contrary.

IN WITNESS WHEREOF, the parties have duly executed this Agreement, in multiple originals, effective as of the date of execution by both parties.

Shipper:
XXXX

ATTEST: _____ BY: _____

DATE: _____ TITLE: _____

Chesapeake:
Chesapeake Utilities Corporation

ATTEST: _____ BY: _____

DATE: _____ TITLE: _____

Exhibit A

Point(s) of Receipt

Period	MDQ Dts	Zone 1 DRN #	Zone 1 Dts	Zone 2 DRN #	Zone 2 Dts	Zone 3 DRN#	Zone 3 Dts
Jan							
Feb							
Mar							
Apr							
May							
Jun							
Jul							
Aug							
Sep							
Oct							
Nov							
Dec							

Chesapeake:
Chesapeake Utilities Corporation

Shipper:
XXXX

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

Exhibit B

Capacity at Delivery Point(s)

Description	Primary DRN #	Month	MDTQ (Dts)
		January	
		February	
		March	
		April	
		May	
		June	
		July	
		August	
		September	
		October	
		November	
		December	

Chesapeake:
Chesapeake Utilities Corporation

By: _____

Title: _____

Date: _____

Shipper:
XXXX

By: _____

Title: _____

Date: _____

Exhibit No. JAW-1
Florida Division of Chesapeake Utilities Corp.
Docket No. 000108-GU

LIST OF MFR SCHEDULES SPONSORED BY JAMES A. WILLIAMS

Schedule		Title
A-1	P. 1	SUMMARY
A-2	P. 1	SUMMARY
A-3	P. 1	SUMMARY-RATE BASE
A-4	P. 1	SUMMARY-NET OPERATING INCOME
A-5	P. 1	SUMMARY
A-6	P. 1	SUMMARY
B-1	PP. 1-2	RATE BASE-HISTORIC BALANCE SHEET
B-2	P. 1	RATE BASE-RATE BASE
B-3	P. 1	RATE BASE-ADJUSTMENTS
B-4	P. 1	RATE BASE-PLANT BALANCES-TEST YEAR
B-5	PP. 1-3	RATE BASE-ALLOCATION OF COMMON PLANT
B-6	P. 1	RATE BASE-ACQUISITION ADJUSTMENT
B-7	PP 1-2	RATE BASE-PROPERTY HELD FOR FUTURE USE
B-8	P. 1	RATE BASE-CONSTRUCTION WORK IN PROGRESS
B-9	P. 1	RATE BASE-HISTORIC DEPRECIATION RESERVE BALANCES
B-10	P. 1	RATE BASE-AMORTIZATION/RECOVERY RESERVE BALANCES
B-11	P. 1	RATE BASE-DEPRECIATION/AMORTIZATION RESERVE-COMMON PLANT
B-12	P. 1	RATE BASE-CUSTOMER ADVANCES FOR CONSTRUCTION
B-13	PP. 1-2	RATE BASE-WORKING CAPITAL
B-14	P. 1	RATE BASE-MISCELLANEOUS DEBITS
B-15	P. 1	RATE BASE-DEFERRED CREDITS
B-16	P. 1	RATE BASE-ADDITIONAL RATE BASE COMPONENTS
B-17	PP. 1-4	RATE BASE-INVESTMENT TAX CREDITS

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 000108-GU EXHIBIT NO. 2
COMPANY/ WITNESS: Williams
DATE: 10-16-00

DOCUMENT NUMBER-DATE
05940 MAY 15 00
FPSC-RECORDS/REPORTING

Exhibit No. JAW-1
Florida Division of Chesapeake Utilities Corp.
Docket No. 000108-GU

LIST OF MFR SCHEDULES SPONSORED BY JAMES A. WILLIAMS

Schedule		Title
B-18	PP. 1-3	RATE BASE-ACCUMULATED DEFERRED INCOME TAXES
C-1	P. 1	NET INCOME
C-2	PP. 1-2	NET INCOME-ADJUSTMENTS
C-3	P. 1	OPERATING REVENUES
C-4	P. 1	UNBILLED REVENUES
C-5	PP. 1-2	OPERATION AND MAINTENANCE EXPENSES
C-6	P. 1	ALLOCATION OF EXPENSES
C-7	P. 1	CONSERVATION REVENUES AND EXPENSES
C-8	PP. 1-2	UNCOLLECTIBLE ACCOUNTS
C-9	PP. 1-2	ADVERTISING EXPENSES
C-10	P. 1	CIVIC AND CHARITABLE CONTRIBUTIONS
C-11	P. 1	INDUSTRY ASSOCIATION DUES
C-12	P. 1	LOBBYING AND OTHER POLITICAL EXPENSES
C-13	P. 1	TOTAL RATE CASE EXPENSE AND COMPARISONS
C-14	P. 1	MISCELLANEOUS GENERAL EXPENSE
C-15	P. 1	OUT OF PERIOD ADJ TO REVENUES AND EXPENSES
C-16	P. 1	GAIN AND LOSSES ON DISPOSITION OF PLANT OR PROPERTY
C-17	P. 1	MONTHLY DEPRECIATION EXPENSE-HISTORIC BASE YEAR
C-18	P. 1	AMORTIZATION/RECOVERY-HISTORIC BASE YEAR
C-19	P. 1	ALLOCATION OF DEPRECIATION/AMORTIZATION-COMMON PLANT
C-20	P. 1	RECONCILIATION OF TOTAL INCOME TAX PROVISION
C-21	P. 1	STATE AND FEDERAL INCOME TAX CALCULATION-HISTORIC YEAR
C-22	P. 1	INTEREST IN TAX EXPENSE

Exhibit No. JAW-1
Florida Division of Chesapeake Utilities Corp.
Docket No. 000108-GU

LIST OF MFR SCHEDULES SPONSORED BY JAMES A. WILLIAMS

Schedule		Title
C-23	P. 1	BOOK/TAX DIFFERENCES-PERMANENT
C-24	P. 1	DEFERRED INCOME TAX EXPENSE
C-25	PP. 1-2	DEFERRED TAX ADJUSTMENT
C-26	P. 1	PARENT DEBT INFORMATION
C-27	P. 1	INCOME TAX RETURNS
C-28	P. 1	MISCELLANEOUS TAX INFORMATION
C-29	P. 1	CONSOLIDATED RETURN
C-30	PP. 1-2	*OTHER TAXES*
C-31	P. 1	OUTSIDE PROFESSIONAL SERVICES
C-32	P. 1	*TRANSACTIONS WITH AFFILIATED COMPANIES*
C-33	P. 1	WAGE AND SALARY INCREASES
C-34	P. 1	O & M BENCHMARK COMPARISON
C-35	P. 1	O & M ADJUSTMENTS BY FUNCTION
C-36	P. 1	BASE YEAR RECOVERABLE O & M EXPENSES
C-37	P. 1	O & M COMPOUND MULTIPLIER CALCULATION
C-38	PP. 1-3	O & M BENCHMARK VARIANCE BY FUNCTION
D-1	PP. 1-2	COST OF CAPITAL
D-2	PP. 1-2	LONG-TERM DEBT OUTSTANDING
D-3	P. 1	SHORT TERM DEBT
D-4	P. 1	PREFERRED STOCK
D-5	P. 1	COMMON STOCK
D-6	P. 1	CUSTOMER DEPOSITS
D-7	P. 1	SOURCES AND USES OF FUNDS

Exhibit No. JAW-1
Florida Division of Chesapeake Utilities Corp.
Docket No. 000108-GU

LIST OF MFR SCHEDULES SPONSORED BY JAMES A. WILLIAMS

Schedule		Title
D-8	P. 1	ISSUANCE OF SECURITIES
D-9	P. 1	SUBSIDIARY INVESTMENTS
D-10	P. 1	RECONCILIATION OF AVG CAPITAL STRUCTURE TO AVG JURISDICTIONAL RATE BASE
D-11	PP. 1-3	FINANCIAL INDICATORS
D-12	P. 1	APPLICANT'S MARKET DATA
F-1	P. 1	INTERIM RATE RELIEF
F-2	PP. 1-2	INTERIM RATE RELIEF-WORKING CAPITAL
F-3	PP. 1-3	INTERIM RATE RELIEF-ADJ TO RATE BASE
F-4	P. 1	INTERIM RATE RELIEF-NET OPERATING INCOME
F-5	PP. 1-2	INTERIM RATE RELIEF-NET OPERATING INCOME ADJUSTMENTS
F-6	P. 1	INTERIM RATE RELIEF-REVENUE EXPANSION FACTOR
F-7	P. 1	INTERIM RATE RELIEF-REVENUE DEFICIENCY
F-8	P. 1	INTERIM RATE RELIEF-COST OF CAPITAL
F-9	P. 1	RECONCILIATION OF AVG CAP. STRUCTURE TO AVG. JURISDICTIONAL RATE BASE
F-10	P. 1	INTERIM RATE RELIEF-DEFICIENCY ALLOCATION
G-1	P. 1	CALCULATION OF PROJECTED TEST YEAR RATE BASE
G-1	PP. 2-3	CALCULATION OF PROJECTED TEST YEAR RATE BASE-WORKING CAPITAL
G-1	P. 4	RATE BASE ADJUSTMENTS
G-1	PP. 5-6	HISTORIC BASE YEAR + 1-BALANCE SHEET
G-1	PP. 7-8	PROJECTED TEST YEAR-BALANCE SHEET
G-1	PP. 9-10	CALCULATION OF THE PROJECTED TEST YEAR RATE BASE
G-1	PP. 11-12	DEPRECIATION RESERVE BALANCES
G-1	PP. 13-14	AMORTIZATION/RECOVERY RESERVE BALANCES

Exhibit No. JAW-1
Florida Division of Chesapeake Utilities Corp.
Docket No. 000108-GU

LIST OF MFR SCHEDULES SPONSORED BY JAMES A. WILLIAMS

Schedule		Title
G-1	P. 15	ALLOCATION OF COMMON PLANT-HISTORIC BASE YEAR + 1
G-1	PP. 16-17	DETAIL OF COMMON PLANT-HISTORIC BASE YEAR + 1
G-1	P. 18	ALLOCATION OF COMMON PLANT-PROJECTED TEST YEAR
G-1	PP. 19-20	DETAIL OF COMMON PLANT-PROJECTED TEST YEAR
G-1	P. 21	ALLOCATION OF DEPR./AMORT. RESERVE-COMMON PLANT-BASE YEAR + 1
G-1	P. 22	ALLOCATION OF DEPR./AMORT. RESERVE-COMMON PLANT-PROJECTED TEST YR.
G-2	P. 1	PROJECTED TEST YEAR NOI-SUMMARY
G-2	PP. 2-3	PROJECTED TEST YEAR-NOI ADJUSTMENTS
G-2	P. 4	NOI-HISTORIC BASE YEAR + 1
G-2	P. 5	NOI-PROJECTED TEST YEAR
G-2	PP. 6-7	REVENUES AND COST OF GAS-HISTORIC BASE YEAR + 1
G-2	PP. 8-9	REVENUES AND COST OF GAS-PROJECTED TEST YEAR
G-2	PP. 10-19	O & M HISTORIC BASE YEAR +1 AND PROJECTED
G-2	P. 20	PROJECTED TEST YEAR-DEPR. AND AMORT.
G-2	P. 21	AMORTIZATION/RECOVERY-HISTORIC BASE YEAR +1
G-2	P. 22	ALLOCATION OF DEPR./AMORT. EXPENSE-COMMON PLANT-BASE YEAR +1
G-2	P. 23	DEPR AND AMORT-PROJECTED TEST YEAR
G-2	P. 24	AMORTIZATION/RECOVERY-PROJECTED TEST YEAR
G-2	P. 25	ALLOCATION OF DEPR./AMORT. EXPENSE-COMMON PLANT-PROJ. TEST YEAR
G-2	P. 26	RECONCILIATION OF TOTAL INCOME TAX PROVISION-HISTORIC BASE YR + 1
G-2	P. 27	STATE AND FEDERAL INCOME TAX CALCULATION-CURRENT-HISTORIC BASE YR + 1
G-2	P. 28	DEFERRED INCOME TAX EXPENSE-HISTORIC BASE YR + 1
G-2	P. 29	RECONCILIATION OF TOTAL INCOME TAX PROVISION-PROJECTED TEST YEAR

Exhibit No. JAW-1
Florida Division of Chesapeake Utilities Corp.
Docket No. 000108-GU

LIST OF MFR SCHEDULES SPONSORED BY JAMES A. WILLIAMS

Schedule		Title
G-2	P. 30	STATE AND FEDERAL INCOME TAX CALCULATION-PROJECTED TEST YEAR
G-2	P. 31	DEFERRED INCOME TAX EXPENSE-PROJECTED TEST YEAR
G-3	P. 1	COST OF CAPITAL-HISTORIC BASE YEAR + 1
G-3	P. 2	COST OF CAPITAL-PROJECTED TEST YEAR
G-3	P. 3	LONG-TERM DEBT OUTSTANDING
G-3	P. 4	SHORT TERM DEBT
G-3	P. 5	PREFERRED STOCK
G-3	P. 6	COMMON STOCK ISSUES-ANNUAL DATA
G-3	P. 7	CUSTOMER DEPOSITS
G-3	P. 8	FINANCING PLANS-STOCK AND BOND ISSUES
G-3	PP. 9-11	FINANCIAL INDICATORS
G-4	P. 1	REVENUE EXPANSION FACTOR-PROJECTED TEST YEAR
G-5	P. 1	REVENUE DEFICIENCY-PROJECTED TEST YEAR
G-6	P. 1-3	MAJOR ASSUMPTIONS-PROJECTED TEST YEAR

3

Exhibit No. JMH-1 (A)
Florida Division of Chesapeake Utilities Corp.
Docket No. 000108-GU

LIST OF MFR SCHEDULES SPONSORED BY JEFF HOUSEHOLDER

Schedule		Title
E-1	PP. 1-3	COST OF SERVICE
E-2	PP. 1-4	COST OF SERVICE
E-3	PP. 1-6	COST OF SERVICE
E-4	PP. 1-2	COST OF SERVICE
E-5	PP. 1-27	COST OF SERVICE
E-6	PP. 1-5	COST OF SERVICE
E-7	PP. 1-3	COST OF SERVICE
E-8	P. 1	COST OF SERVICE
H-1	P. 1	COST OF SERVICE-SUMMARY
H-1	P. 2	COST OF SERVICE-DERIVATION OF REVENUE DEFICIENCY
H-1	PP. 3-4	COST OF SERVICE-RATE OF RETURN BY CLASS
H-1	P. 5	COST OF SERVICE-PROPOSED RATE DESIGN
H-1	P. 6	COST OF SERVICE-PROPOSED RATES
H-2	P. 1	COST OF SERVICE-SUMMARY
H-2	PP. 2-5	ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASS
H-2	P. 6	COST OF SERVICE-SUMMARY
H-3	PP. 1-4	COST OF SERVICE-FULLY ALLOCATED EMBEDDED COST OF SERVICE
H-3	P. 5	COST OF SERVICE-SUMMARY

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 000108-GU EXHIBIT NO. 3
COMPANY/ WITNESS: Householder
DATE: 10-10-00

DOCUMENT NUMBER-DATE
05941 MAY 15 00
FPSC-RECORDS/REPORTING

Exhibit No. JMH-1 (B)
Florida Division of Chesapeake Utilities Corporation
Docket No. 000108-GU

Comparison Of Present Rates To Proposed Rates

Proposed Rate Schedule	Present Rates	Proposed Rates
GS-1 (Residential)		
Customer charge per month	$7.00	$15.00
Energy charge per therm	$0.46905	$0.10220
GS-1 (Commercial/Industrial)		
Customer charge per month	$15.00	$15.00
Energy charge per therm	$0.22115	$0.10220
TS-1 (Commercial/Industrial)		
Customer charge per month	N/A	$20.00
Transportation charge per therm	N/A	$0.10220
GS-2 (Residential)		
Customer charge per month	$7.00	$22.50
Energy charge per therm	$0.46905	$0.20038
GS-2 (Commercial/Industrial)		
Customer charge per month	$15.00	$22.50
Energy charge per therm	$0.22115	$0.20038
TS-2 (Commercial/Industrial)		
Customer charge per month	N/A	$32.50
Transportation charge per therm	N/A	$0.20038
GS-3 (Residential)		
Customer charge per month	$7.00	$32.50
Energy charge per therm	$0.46905	$0.29273
GS-3 (Commercial/Industrial)		
Customer charge per month	$15.00	$32.50
Energy charge per therm	$0.22115	$0.29273
TS-3 (Commercial/Industrial)		
Customer charge per month	N/A	$42.50
Transportation charge per therm	N/A	$0.29273

Exhibit No. JMH-1 (B)
Florida Division of Chesapeake Utilities Corporation
Docket No. 000108-GU

Proposed Rate Schedule	Present Rates	Proposed Rates
GS-4 (Commercial/Industrial)		
Customer charge per month	$15.00	$40.00
Energy charge per therm	$0.22115	$0.24908
TS-4 (Commercial/Industrial)		
Customer charge per month	N/A	$55.00
Transportation charge per therm	N/A	$0.24908
GS-5 (Commercial/Industrial)		
Customer charge per month	$15.00	$100.00
Energy charge per therm	$0.22115	$0.19843
TS-5 (Commercial/Industrial)		
Customer charge per month	N/A	$125.00
Transportation charge per therm	N/A	$0.19843
GS-6 (Commercial/Industrial)		
Customer charge per month	$20.00	$175.00
Energy charge per therm	$0.17287	$0.16326
TS-6 (Commercial/Industrial)		
Customer charge per month	N/A	$200.00
Transportation charge per therm	N/A	$0.16326
GS-7 (Firm Commercial/Industrial)		
Customer charge per month	$40.00	$250.00
Energy charge per therm	$0.07889	$0.10627
GS-7 (Interruptible Commercial/Industrial)		
Customer charge per month	$350.00	$250.00
Energy charge per therm	$0.05312	$0.10627
TS-7 (Firm Commercial/Industrial)		
Customer charge per month	$40.00	$300.00
Transportation charge per therm	$0.07889	$0.10627
TS-7 (Interruptible Commercial/Industrial)		
Customer charge per month	$350.00	$300.00
Transportation charge per therm	$0.05312	$0.10627

Exhibit No. JMH-1 (B)
Florida Division of Chesapeake Utilities Corporation
Docket No. 000108-GU

Proposed Rate Schedule	Present Rates	Proposed Rates
GS-8 (Firm Commercial/Industrial)		
Customer charge per month	$40.00	$350.00
Energy charge per therm	$0.07889	$0.09675
GS-8 (Interruptible Commercial/Industrial)		
Customer charge per month	$350.00	$350.00
Energy charge per therm	$0.05312	$0.09675
TS-8 (Firm Commercial/Industrial)		
Customer charge per month	$40.00	$500.00
Transportation charge per therm	$0.07889	$0.09675
TS-8 (Interruptible Commercial/Industrial)		
Customer charge per month	$350.00	$500.00
Transportation charge per therm	$0.05312	$0.09675
GS-9 (Firm Commercial/Industrial)		
Customer charge per month	$40.00	$500.00
Energy charge per therm	$0.07889	$0.08287
GS-9 (Interruptible Commercial/Industrial)		
Customer charge per month	$350.00	$500.00
Energy charge per therm	$0.05312	$0.08287
TS-9 (Firm Commercial/Industrial)		
Customer charge per month	$40.00	$700.00
Energy charge per therm	$0.07889	$0.08287
TS-9 (Interruptible Commercial/Industrial)		
Customer charge per month	$350.00	$700.00
Energy charge per therm	$0.05312	$0.08287

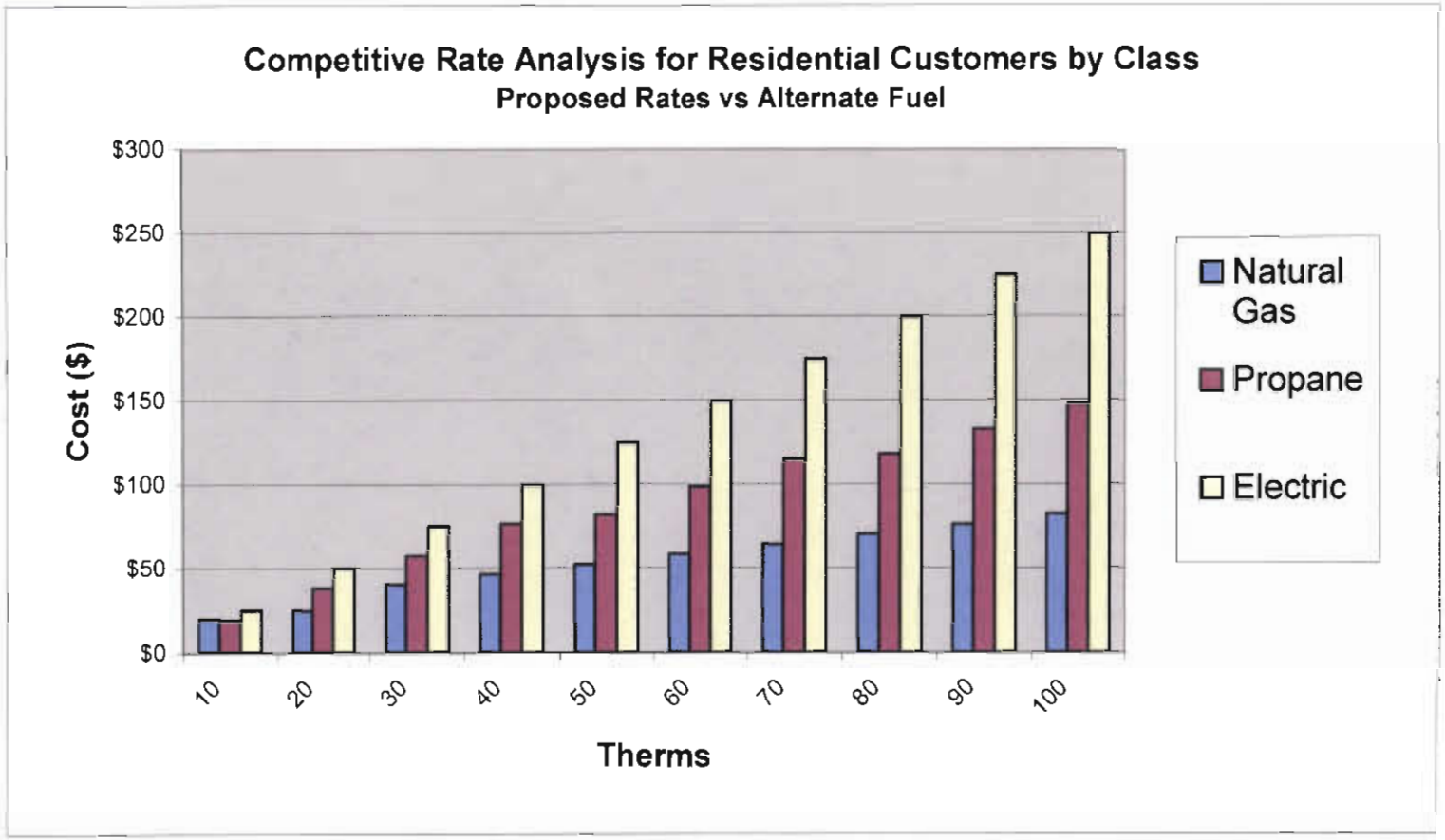
Exhibit No. JMH-1 (B)
Florida Division of Chesapeake Utilities Corporation
Docket No. 000108-GU

The Company is proposing substantial changes to its traditional customer classes and rate schedules. As proposed, the current residential, commercial and industrial classifications are replaced by 19 volumetric-based rate schedules, without regard to customer type. Attachment "B" provides information, similar to that included in MFR Schedules E-2 and E-5, to enable the Commission to compare rates under the existing classes to the proposed classes. For example, the proposed General Sales Service 0-300 therm volumetric class (Rate Schedule GS-1), does not distinguish between residential, commercial and industrial customer classifications. The information on Attachment "B", however, has been separated to display GS-1 residential rates and GS-1 commercial/industrial rates. The Company is not proposing two GS-1 rate classes. This information is provided solely for the purpose of clarifying the Company's proposal.

In addition, the existing Flexible Gas Service and Off-System Sales Rate Schedules are not included in the rate comparisons. Rates for both schedules are established by negotiation. There are no current customers in the Flexible Gas Service class. Off-System Sales are made on a periodic, opportunity basis. No Special Contract rate comparisons are provided.

Exhibit No. JMH-1 (C)
Florida Division of Chesapeake Utilities Corporation
Docket No. 000108-GU

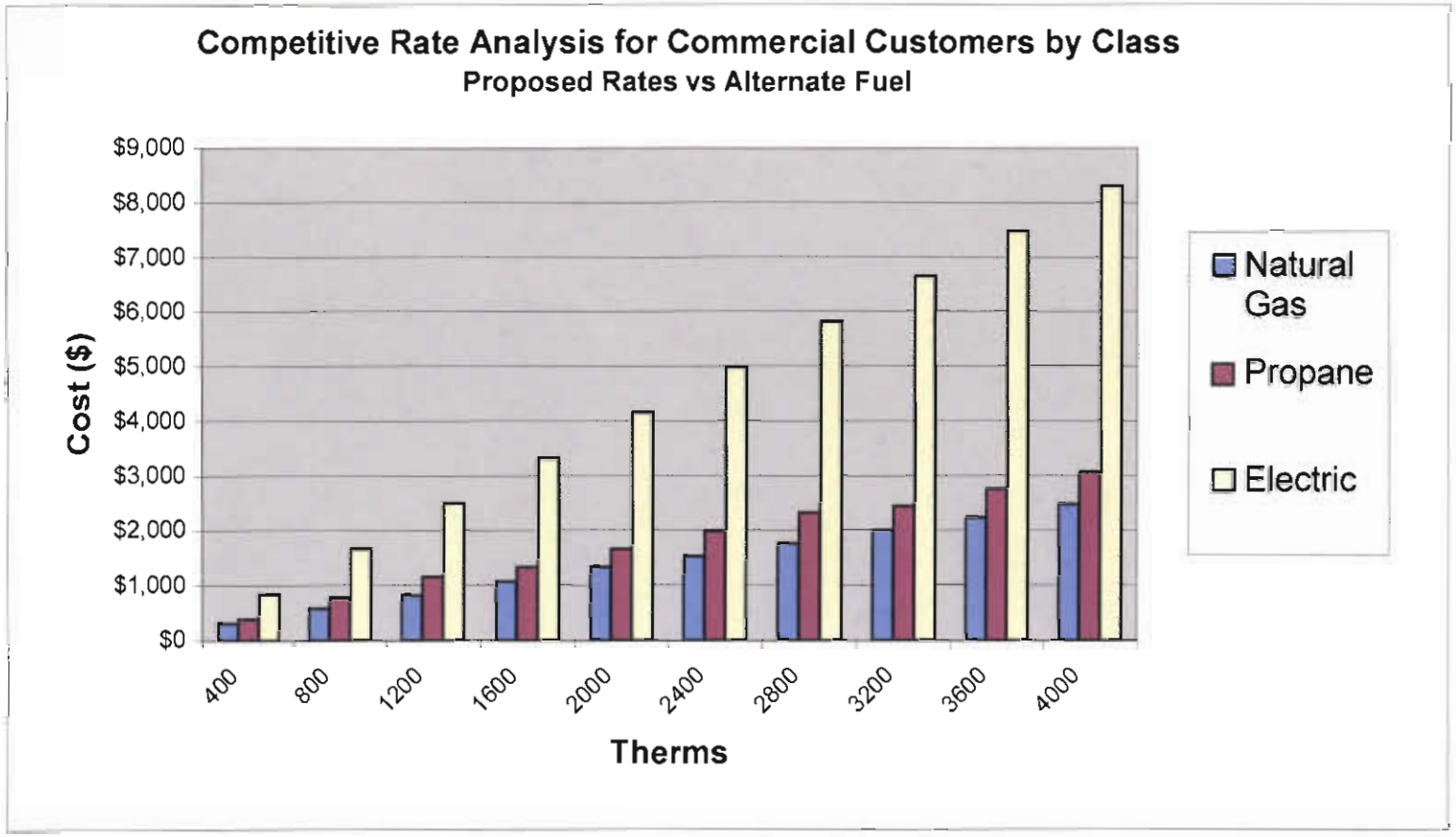
Analysis of Competitive Fuel Costs



Therm Usage	10	20	30	40	50	60	70	80	90	100
Natural Gas	$19.99	$24.97	$40.40	$46.37	$52.34	$58.31	$64.28	$70.24	$76.21	$82.18
Propane	$19.11	$38.22	$57.33	$76.44	$81.90	$98.28	$114.66	$117.94	$132.68	$147.42
Electric	$24.91	$49.81	$74.72	$99.62	$124.53	$149.43	$174.34	$199.24	$224.15	$249.05

Percent comparison : Natural Gas to Alternate Fuel

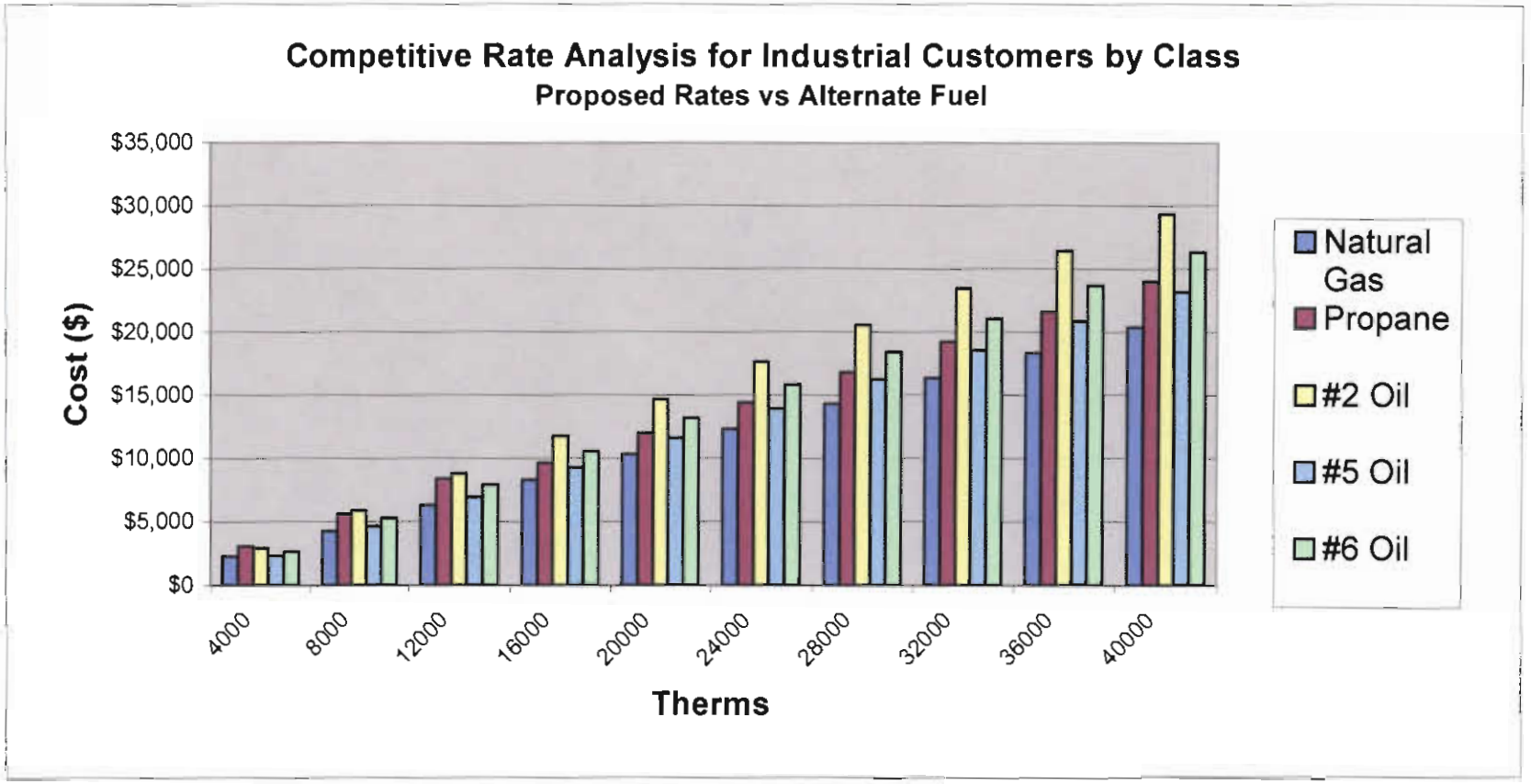
Propane	-4.6%	34.7%	29.5%	39.3%	36.1%	40.7%	43.9%	40.4%	42.6%	44.3%
Electric	19.8%	49.9%	45.9%	53.5%	58.0%	61.0%	63.1%	64.7%	66.0%	67.0%



Therm Usage	400	800	1200	1600	2000	2400	2800	3200	3600	4000
Natural Gas	$308	$584	$815	$1,073	$1,331	$1,528	$1,766	$2,004	$2,241	$2,479
Propane	$384	$769	$1,153	$1,328	$1,660	$1,992	$2,324	$2,446	$2,752	$3,058
Electric	$830	$1,660	$2,489	$3,319	$4,149	$4,979	$5,808	$6,638	$7,468	$8,298

Percent comparison : Natural Gas to Alternate Fuel

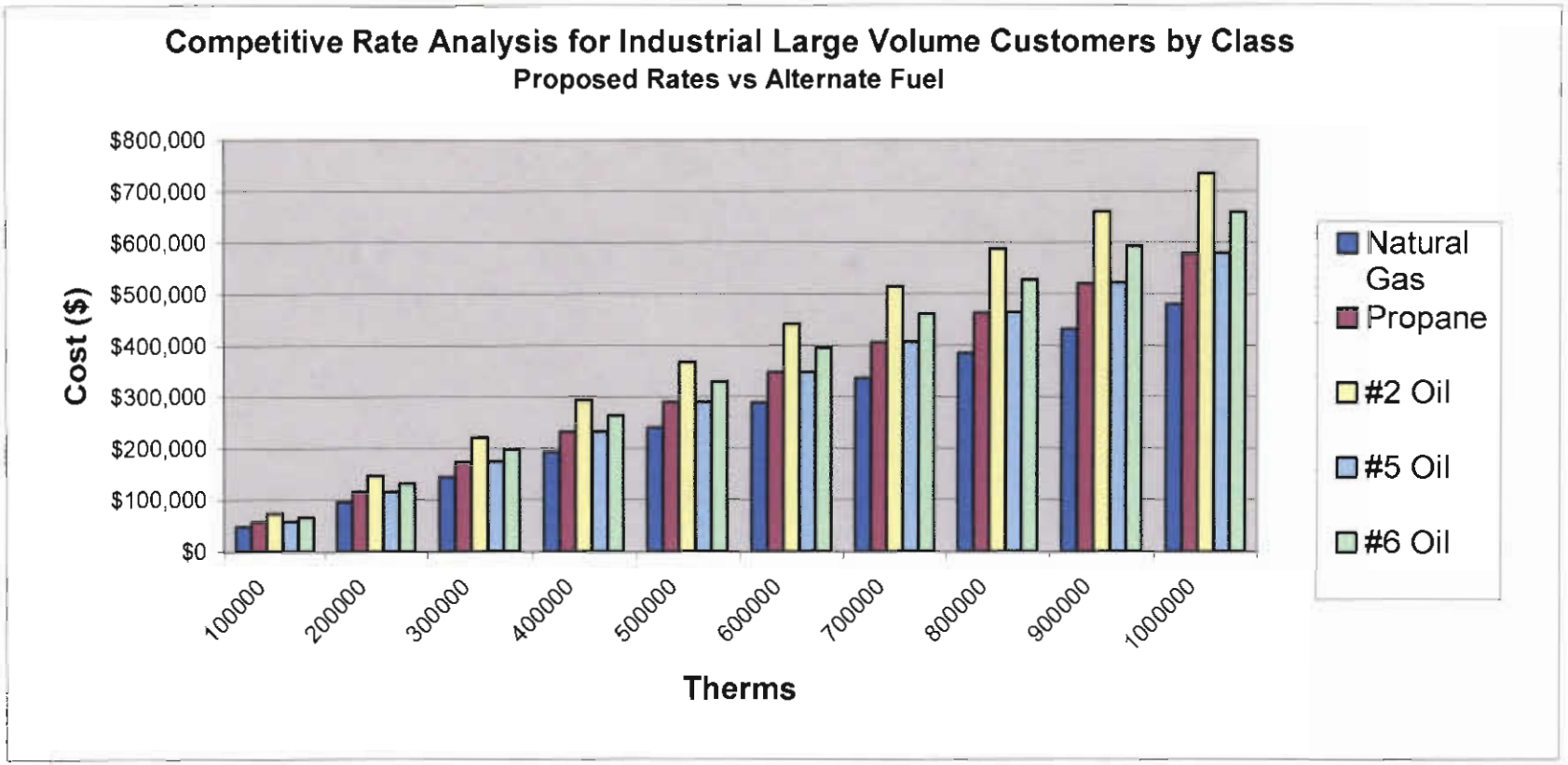
Propane	19.8%	24.1%	29.4%	19.2%	19.8%	23.3%	24.0%	18.1%	18.5%	18.9%
Electric	62.9%	64.8%	67.3%	67.7%	67.9%	69.3%	69.6%	69.8%	70.0%	70.1%



Therm Usage	4000	8000	12000	16000	20000	24000	28000	32000	36000	40000
Natural Gas	$2,261	$4,272	$6,282	$8,293	$10,304	$12,315	$14,325	$16,336	$18,347	$20,358
Propane	$3,058	$5,591	$8,387	$9,610	$12,012	$14,414	$16,817	$19,219	$21,622	$24,024
#2 Oil	$2,936	$5,872	$8,809	$11,745	$14,681	$17,617	$20,553	$23,490	$26,426	$29,362
#5 Oil	$2,320	$4,640	$6,960	$9,280	$11,600	$13,920	$16,240	$18,560	$20,880	$23,200
#6 Oil	$2,635	$5,270	$7,905	$10,540	$13,175	$15,810	$18,445	$21,080	$23,715	$26,350

Percent comparison : Natural Gas to Alternate Fuel

Propane	26.1%	23.6%	25.1%	13.7%	14.2%	14.6%	14.8%	15.0%	15.1%	15.3%
#2 Oil	23.0%	27.3%	28.7%	29.4%	29.8%	30.1%	30.3%	30.5%	30.6%	30.7%
#5 Oil	2.6%	7.9%	9.7%	10.6%	11.2%	11.5%	11.8%	12.0%	12.1%	12.3%
#6 Oil	14.2%	18.9%	20.5%	21.3%	21.8%	22.1%	22.3%	22.5%	22.6%	22.7%



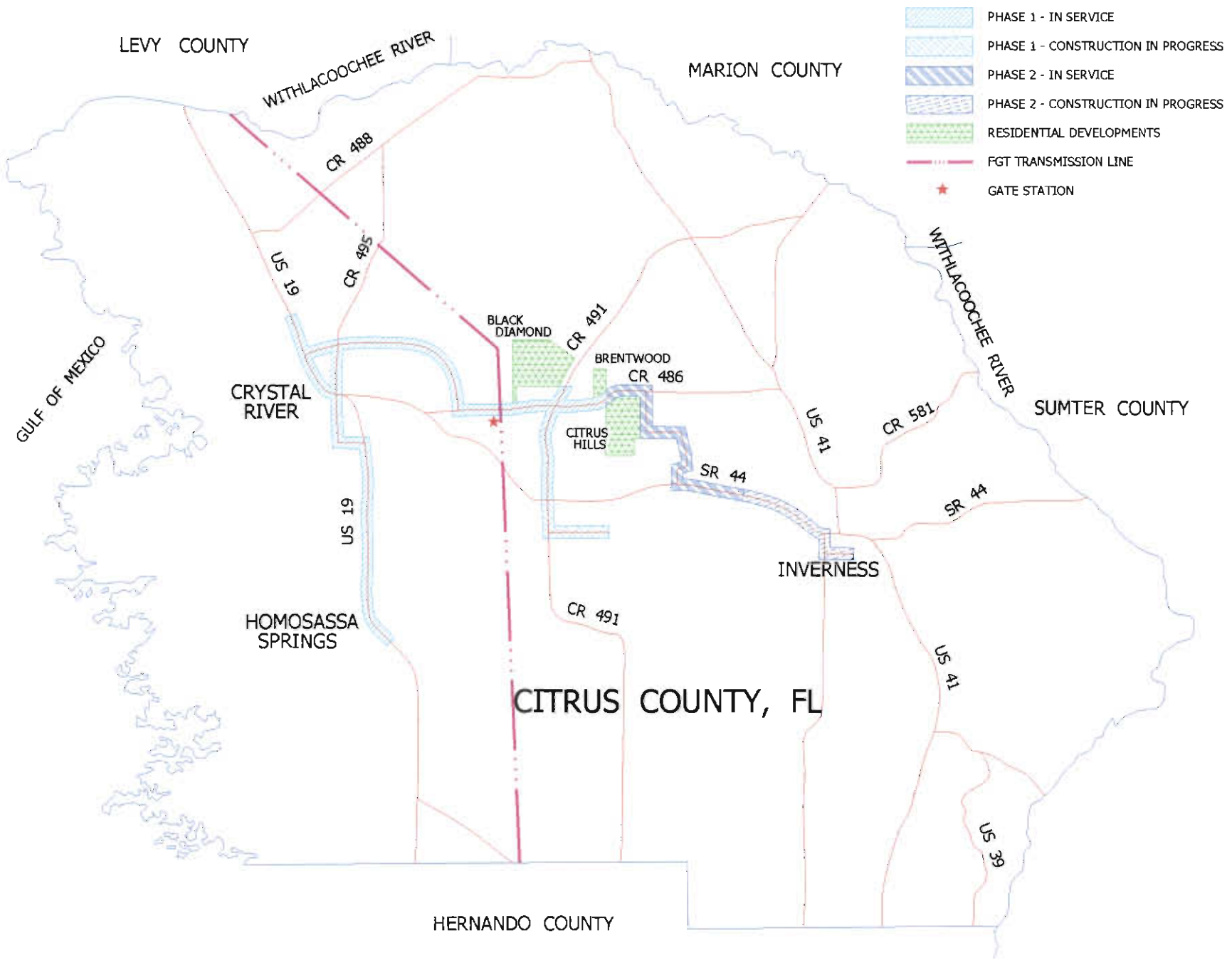
Therm Usage	100000	200000	300000	400000	500000	600000	700000	800000	900000	1000000
Natural Gas	$48,429	$96,358	$144,287	$192,216	$240,145	$288,074	$336,003	$383,932	$431,861	$479,790
Propane	$57,876	$115,752	$173,628	$231,504	$289,380	$347,256	$405,132	$463,008	$520,884	$578,760
#2 Oil	$73,405	$146,810	$220,215	$293,620	$367,025	$440,430	$513,835	$587,240	$660,645	$734,050
#5 Oil	$58,000	$116,000	$174,000	$232,000	$290,000	$348,000	$406,000	$464,000	$522,000	$580,000
#6 Oil	$65,876	$131,752	$197,628	$263,504	$329,380	$395,256	$461,132	$527,008	$592,884	$658,760

Percent comparison : Natural Gas to Alternate Fuel

Propane	16.3%	16.8%	16.9%	17.0%	17.0%	17.0%	17.1%	17.1%	17.1%	17.1%
# 2 Oil	34.0%	34.4%	34.5%	34.5%	34.6%	34.6%	34.6%	34.6%	34.6%	34.6%
#5 Oil	16.5%	16.9%	17.1%	17.1%	17.2%	17.2%	17.2%	17.3%	17.3%	17.3%
#6 Oil	26.5%	26.9%	27.0%	27.1%	27.1%	27.1%	27.1%	27.1%	27.2%	27.2%

Exhibit No. JMH-1 (D)
Florida Division of Chesapeake Utilities Corporation
Docket No. 000108-GU

Map of the Citrus County Distribution System


PHASE 1 - IN SERVICE
PHASE 1 - CONSTRUCTION IN PROGRESS
PHASE 2 - IN SERVICE
PHASE 2 - CONSTRUCTION IN PROGRESS
RESIDENTIAL DEVELOPMENTS
FGT TRANSMISSION LINE
GATE STATION
LEVY COUNTY
WITHLACOOCHEE RIVER
MARION COUNTY
CR 488
US 19
CR 495
BLACK DIAMOND
CR 491
BRENTWOOD
CR 486
CRYSTAL RIVER
GULF OF MEXICO
CITRUS HILLS
US 41
CR 581
WITHLACOOCHEE RIVER
SUMTER COUNTY
SR 44
SR 44
US 19
INVERNESS
HOMOSASSA SPRINGS
CR 491
US 41
CITRUS COUNTY, FL
US 39
HERNANDO COUNTY

4

Composite Exhibit No. PRM-1

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION

Docket No. 000108-GU

Financial Exhibits

to Accompany

the Direct Testimony

of

Paul R. Moul, Managing Consultant
P. Moul & Associates, Inc.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 000108-GU EXHIBIT NO. 4
COMPANY/ WITNESS: Moul
DATE: 10-16-00

DOCUMENT NUMBER-DATE
05943 MAY 15 8
FPSC-RECORDS/REPORTING

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
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Florida Division of Chesapeake Utilities Corporation
Rate of Return Based Upon Investor-Provided Capital
For the Projected Period Ended December 31, 2001

Type of Capital	Ratios	Cost Rate	Weighted Cost Rate
Long-Term Debt	33.95%	7.52%	2.55%
Short-Term Debt	11.28%	6.03%	0.68%
Common Equity	54.77%	12.00%	6.57%
Total	100.00%		9.80%

Indicated levels of fixed charge coverage assuming that the Company could actually achieve its rate of return

Pre-tax coverage of interest expense based upon a 35.0000% federal income tax rate (13.34% ÷ 3.23%)	4.13 x
Post-tax coverage of interest expense (9.80% ÷ 3.23%)	3.03 x

Florida Division of Chesapeake Utilities Corporation
Capitalization and Financial Statistics
1994-1998, Inclusive

	1998	1997	1996	1995	1994	
			(Thousands of Dollars)			
Amount of Capital Employed						
Total Permanent Capital	$11,216	$10,495	$9,861	$9,000	$8,218	
Short-Term Debt	0	0	0	0	0	
Total-Capital Employed	$11,216	$10,495	$9,861	$9,000	$8,218	
Indicated Average Capital Cost Rates (1)						
Long Term Debt						5 Year Average
Dividend Payout Ratio	110.5%	116.0%	75.4%	80.8%	66.3%	89.8%
Capital Structure Ratios						
Based on Total Permanent Captial:						
Long-Term Debt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Preferred Stock	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Common Equity	100.0%	100.0%	100.0%	100.1%	100.0%	100.0%
	100.0%	100.0%	100.0%	100.1%	100.0%	100.0%
Based on Total Capital:						
Total Debt, Including Short Term	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Preferred Stock	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Common Equity	100.0%	100.0%	99.9%	100.0%	100.0%	100.0%
	100.0%	100.0%	99.9%	100.0%	100.0%	100.0%
Rate of Return on Average Book Common Equity	6.7%	6.2%	9.1%	9.1%	10.7%	8.4%
Operating Ratios (2)	89.0%	91.8%	90.8%	89.5%	88.6%	89.9%
Coverages-Including All AFC (3)						
Before Income Taxes: All Interest Charges	3.2 x	2.8 x	3.8 x	3.2 x	3.8 x	3.4 x
After Income Taxes: All Interest Charges	2.3	2.1	2.7	2.3	2.7	2.4
Overall Coverage: All Interest + Pfd. Div.	2.3	2.1	2.7	2.3	2.7	2.4
Coverages-Excluding All AFC						
Before Income Taxes: All Interest Charges	3.2 x	2.8 x	3.8 x	3.2 x	3.6 x	3.3 x
After Income Taxes: All Interest Charges	2.3	2.1	2.7	2.3	2.6	2.4
Overall Coverage: All Interest + Pfd. Div.	2.3	2.1	2.7	2.3	2.6	2.4
Quality of Earnings						
AFC/Income Available for Common Equity	0.0 %	0.0 %	0.0 %	0.0 %	6.8 %	1.4 %
Effective Income Tax Rate	39.3	39.9	40.0	41.0	38.6	39.8
Internal Cash Generation/Gross Construction (4)	85.6	73.7	163.6	78.9	23.1	85.0
Gross Cash Flow/ Permanent Captial (5)	21.8	17.5	25.8	25.0	16.4	21.3
Gross Cash Flow/ Avg. Total Debt(6)	N/A	N/A	N/A	N/A	N/A	N/A
Gross Cash Flow Interest Coverage(7)	5.5 x	4.2 x	6.0 x	4.8 x	3.7 x	4.8 x
Common Dividend Coverage (8)	3.1	2.5	3.9	3.6	2.4	3.1

See Page 2 for Notes.

Florida Division of
Chesapeake Utilities Corporation
Capitalization and Financial Statistics
1994-1998, Inclusive

Notes:

(1) Computed by relating actual long-term debt interest expense booked to average of beginning and ending long-term debt reported to be outstanding.

(2) Total operating expenses, maintenance, depreciation and taxes other than income as a percentage of operating revenues.

(3) Coverage calculations represent the number of times available earnings, including AFC (allowance for funds used during construction), as reported in its entirety cover fixed charges.

(4) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally generated funds from operations and after payment of all cash dividends.

(5) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less AFC) as a percentage of Permanent Capital (long-term debt, current maturities and preferred, preference and common equity).

(6) Gross Cash Flow (as defined in Note 5) as a percentage of average total debt.

(7) Gross Cash Flow (as defined in Note 5) plus interest charges, divided by interest charges.

(8) Common dividend coverage is the relationship of internally generated funds from operations after payment of preferred stock dividends to common dividends paid.

Source of Information: Company Annual Reports

Barometer Group of Seven Gas Distribution Companies
Capitalization and Financial Statistics (1)
1994-1998, Inclusive

	1998	1997	1996	1995	1994	
			(Thousands of Dollars)			
Amount of Capital Employed						
Total Permanent Capital	$635,454	$588,901	$468,773	$435,803	$405,565	
Short-Term Debt	$62,828	$70,933	$56,385	$19,557	$27,285	
Total-Capital Employed	$698,282	$659,834	$525,158	$455,360	$432,851	
Indicated Average Capital Cost Rates (2)						
Long Term Debt	4.7%	4.5%	4.7%	4.7%	4.9%	
Financial Ratios-Market Based						5 Year Average
Earnings/Price Ratio	6.2%	6.8%	8.4%	6.8%	7.5%	7.1%
Market/Average Book	188.8%	180.4%	168.8%	153.5%	163.8%	171.1%
Dividend Yield	4.2%	4.5%	4.9%	5.4%	5.9%	5.0%
Dividend Payout Ratio	70.1%	69.4%	60.0%	100.1%	80.0%	75.9%
Capital Structure Ratios						
Based on Total Permanent Captial:						
Long-Term Debt	49.1%	49.8%	49.0%	49.7%	49.4%	49.4%
Preferred Stock	1.2%	1.1%	1.0%	1.0%	1.0%	1.1%
Common Equity	49.7%	49.1%	50.0%	49.3%	49.6%	49.5%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Based on Total Capital:						
Total Debt, Including Short Term	54.1%	55.3%	55.3%	52.4%	52.1%	53.8%
Preferred Stock	1.1%	1.1%	0.9%	1.0%	0.9%	1.0%
Common Equity	44.8%	43.6%	43.9%	46.7%	47.0%	45.2%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Rate of Return on Average Book Common Equity	12.0%	12.2%	13.8%	10.3%	11.8%	12.0%
Operating Ratios (3)	87.1%	87.3%	86.5%	87.8%	89.3%	87.6%
Coverages-Including All AFC (4)						
Before Income Taxes: All Interest Charges	3.1 x	3.0 x	3.5 x	2.9 x	2.9 x	3.1 x
After Income Taxes: All Interest Charges	2.4	2.3	2.6	2.2	2.3	2.4
Overall Coverage: All Interest + Pfd. Div.	2.3	2.3	2.5	2.2	2.3	2.3
Coverages-Excluding All AFC						
Before Income Taxes: All Interest Charges	3.1 x	3.0 x	3.4 x	2.8 x	2.9 x	3.0 x
After Income Taxes: All Interest Charges	2.4	2.3	2.6	2.2	2.2	2.4
Overall Coverage: All Interest + Pfd. Div.	2.3	2.3	2.5	2.2	2.2	2.3
Quality of Earnings						
AFC/Income Available for Common Equity	0.6 %	1.3 %	1.6 %	2.2 %	7.5 %	2.6 %
Effective Income Tax Rate	30.3	32.3	34.1	32.7	31.3	32.1
Internal Cash Generation/Gross Construction (5)	82.5	65.3	76.4	62.8	47.7	66.9
Gross Cash Flow/ Permanent Capital (6)	12.9	12.5	15.2	13.2	11.7	13.1
Gross Cash Flow/ Avg. Total Debt(7)	22.3	22.5	26.7	25.3	22.3	23.8
Gross Cash Flow Interest Coverage(8)	4.2 x	4.0 x	4.6 x	4.1 x	3.7 x	4.1 x
Common Dividend Coverage (9)	3.5	3.6	4.0	3.3	2.7	3.4

See Page 2 for Notes.

Barometer Group of Seven Gas Distribution
Capitalization and Financial Statistics
1994-1998, Inclusive

Notes:

(1) All capitalization and financial statistics for the group are the arithmetic average of the achieved results for each individual company in the group.

(2) Computed by relating actual long-term interest expense booked to average beginning and ending long-term debt reported to be outstanding.

(3) Total operating expenses, maintenance, depreciation and taxes other than income as a percentage of operating revenues.

(4) Coverage calculations represent the number of times available earnings, including AFC (allowance for funds used during construction) as reported in its entirety cover fixed charges.

(5) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally-generated funds from operations and after payment of all cash dividends.

(6) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income tax and investment tax credits, less total AFC) as a percentage of Permanent Capital (long-term debt, current maturities and preferred, preference and common equity).

(7) Gross Cash Flow (as defined in Note 6) as a percentage of average total debt.

(8) Gross Cash Flow (as defined in Note 6) plus interest charges, divided by interest charges.

(9) Common dividend coverage is the relationship of internally-generated funds from operations and after payment of preferred stock dividends to common dividends.

Basis of Selection

The Barometer Group of Seven Gas Distribution companies includes all the companies in the Value Line Investment Survey, Natural Gas Distribution Industry that are in the Southeastern or South Central Region and are not involved in reported major merger or acquisition activity.

Barometer Group of Seven Gas Distribution Companies	Corporate Credit Rating Moody's	Corporate Credit Rating S&P	Common Stock Traded	S&P Common Stock Ranking	Market Sensitivity Statistics Beta	Market Sensitivity Statistics R^2	Business Profile
AGL Resources, Inc. (2)	-	A-	NYSE	B+	0.64	0.09	4
Atmos Energy Group (2)	A3	A-	NYSE	B+	0.47	0.01	3
Chesapeake Utilities	-	-	NYSE	B+	0.42	0.00	-
Energen Corp. (2)	A1	A+	NYSE	A	0.63	0.05	2
Energy South, Inc. (2)	-	-	NASD	NR	0.33	0.02	-
NUI Corporation	Baa1	BBB	NYSE	B	0.51	0.01	3
Piedmont Natural Gas (2)	A2	A	NYSE	A-	0.52	0.01	3
	A3	A-		A-	0.50	0.03	3

Notes: (1) Ratings are a subsidiary composite.
(2) Ratings are those of an operating subsidiary

Source of Information: Company Annual Reports to Shareholders
Standard & Poor's Utility Compustat II
Moody's Public Utility Manual and Bond Surveys
S&P Bond Guides, CreditWeek
S&P Stock Guides
Merrill Lynch Security Risk Evaluation, January 2000

S&P Public Utilities
Capitalization and Financial Statistics (1)
1994-1998, Inclusive

	1998	1997	1996	1995	1994	
			(Thousands of Dollars)			
Amount of Capital Employed						
Total Permanent Capital	$9,373,431	$8,876,008	$7,679,532	$7,460,061	$7,184,987	
Short-Term Debt	491,920	415,918	285,250	291,309	263,207	
Total-Capital Employed	$9,865,351	$9,291,926	$7,964,782	$7,751,370	$7,448,194	
Indicated Average Capital Cost Rates (2)						
Long Term Debt	6.9%	6.8%	7.3%	7.3%	6.8%	
Financial Ratios-Market Based						5 Year Average
Earnings/Price Ratio	4.6%	4.9%	7.5%	7.2%	7.8%	6.4%
Market/Average Book	197.4%	177.0%	168.7%	151.8%	150.4%	169.0%
Dividend Yield	4.2%	4.8%	4.9%	5.5%	5.8%	5.0%
Dividend Payout Ratio	37.6%	76.9%	65.5%	71.5%	78.0%	65.9%
Capital Structure Ratios						
Based on Total Permanent Captial:						
Long-Term Debt	49.9%	49.6%	48.3%	48.4%	47.8%	48.8%
Preferred Stock	5.8%	4.9%	4.6%	5.6%	5.7%	5.3%
Common Equity	44.3%	45.5%	47.2%	46.0%	46.6%	45.9%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Based on Total Capital:						
Total Debt, Including Short Term	52.7%	52.3%	50.5%	50.5%	50.0%	51.2%
Preferred Stock	5.5%	4.7%	4.4%	5.3%	5.5%	5.1%
Common Equity	41.8%	43.0%	45.1%	44.1%	44.5%	43.7%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Rate of Return on Average Book Common Equity	8.8%	9.0%	12.4%	11.0%	11.6%	10.5%
Operating Ratios (3)	83.6%	82.1%	79.5%	78.1%	79.4%	80.5%
Coverages-Including All AFC (4)						
Before Income Taxes: All Interest Charges	3.0 x	3.2 x	3.5 x	3.2 x	3.7 x	3.3 x
After Income Taxes: All Interest Charges	2.3	2.4	2.6	2.4	2.7	2.5
Overall Coverage: All Interest + Pfd. Div.	2.1	2.2	2.4	2.2	2.5	2.3
Coverages-Excluding All AFC						
Before Income Taxes: All Interest Charges	2.9 x	3.2 x	3.5 x	3.1 x	3.6 x	3.3 x
After Income Taxes: All Interest Charges	2.3	2.4	2.6	2.3	2.7	2.4
Overall Coverage: All Interest + Pfd. Div.	2.1	2.2	2.4	2.1	2.5	2.3
Quality of Earnings						
AFC/Income Available for Common Equity	1.6 %	4.9 %	3.2 %	3.4 %	4.8 %	3.6 %
Effective Income Tax Rate	34.0	48.3	36.5	35.1	34.7	37.7
Internal Cash Generation/Gross Construction (5)	108.4	119.8	138.9	117.0	145.6	125.9
Gross Cash Flow/ Permanent Captial (6)	11.9	11.8	13.5	12.2	12.8	12.4
Gross Cash Flow/ Avg. Total Debt(7)	23.1	23.6	26.7	23.4	269.0	73.2
Gross Cash Flow Interest Coverage(8)	4.2 x	4.2 x	4.6 x	4.2 x	4.9 x	4.4 x
Common Dividend Coverage (9)	4.1	3.6	3.9	3.7	3.3	3.7

See Page 2 for Notes.

Standard & Poor's Public Utilities
Capitalization and Financial Statistics
1994-1998, Inclusive

Notes:

(1) All capitalization and financial statistics for the group are the arithmetic average of the achieved results for each individual company in the group.
(2) Computed by relating actual long-term debt interest booked to average of beginning and ending long-term debt reported to be outstanding.
(3) Total operating expenses, maintenance, depreciation and taxes other than income taxes as a percent of operating revenues.
(4) Coverage calculations represent the number of times available earnings, including AFC (allowance for funds used during construction) as reported in its entirety, cover fixed charges.
(5) Internal cash generation/gross construction is the percentage of capital additions to utility plant, provided by internally-generated funds from operations, excluding all AFC, and after payment of all cash dividends divided by gross contribution expenditures.
(6) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFC) as a percent of preference and common equity).
(7) Gross Cash Flow (as defined in Note 6) as a percentage of average total debt.
(8) Gross Cash Flow (as defined in Note 6) plus interest charges, divided by interest charges.
(9) Common dividend coverage is the relationship of internally-generated funds from operations, excluding all AFC, and after payment of preferred stock dividends to common dividends paid.

Source of Information: Annual Reports to Shareholders
Standard & Poor's Utility Compustat

Standard & Poor's Public Utilities
Capitalization and Financial Statistics
December 31, 1998

	Corporate Credit Rating		Common Stock Traded	S&P Common Stock Ranking	Market Sensitivity Statistics Adjusted	
	Moody's	S&P			Beta	R^2
Electric Companies						
American Electric Power Co., Inc. (1)	A3	A-	NYSE	B+	0.40	0.01
Ameren Corp.(2)	Aa3	AA-	NYSE	A-	0.47	0.01
Constellation Energy Group	A1	A+	NYSE	B+	0.51	0.02
Carolina Power & Light Company	A2	A	NYSE	A-	0.49	0.01
Central & South West Corp. (1)	A1	A+	NYSE	B+	0.47	0.01
CINergy Corporation (1)	A3	A-	NYSE	B	0.38	0.02
Consolidated Edison Co.	A1	A+	NYSE	A	0.46	0.00
DTE Energy Company	A3	BBB+	NYSE	A-	0.42	0.01
Dominion Resources, Inc. (1)	A2	A	NYSE	B	0.49	0.02
Duke Power Company	Aa3	A+	NYSE	A-	0.39	0.01
Edison International (1)	A1	A+	NYSE	B	0.59	0.03
Entergy Corp. (1)	Baa2	BBB	NYSE	B	0.53	0.01
FPL Group, Inc. (1)	Aa3	AA-	NYSE	B	0.35	0.02
FirstEnergy Corporation (2)	Ba1	BB+	NYSE	B	0.55	0.04
GPU, Inc. (1)	Baa1	A	NYSE	B+	0.57	0.04
New Century Energy (1)	A2	A-	NYSE	NR	0.37	0.02
Niagara Mohawk Power Corp.	Baa3	BBB-	NYSE	B	0.59	0.02
Northern States Power Company (2)	Aa3	AA-	NYSE	A-	0.52	0.03
PG&E Corporation	A1	A+	NYSE	B	0.47	0.00
Pacificorp (2)	A2	A	NYSE	B	N/A	N/A
PECO Energy Company (1)	Baa1	A-	NYSE	B	0.47	0.01
PP&L Resources (1)	A3	A-	NYSE	B+	0.51	0.01
Public Service Enterprise Group (1)	A3	A-	NYSE	B+	0.46	0.00
Reliant Energy (1)	A3	A	NYSE	B+	0.48	0.01
Southern Company (1)	A1	A+	NYSE	A-	0.41	0.01
Texas Utilities Company (1)	A3	A	NYSE	B	0.36	0.02
Unicom Corporation (1)	Baa2	BBB	NYSE	B	0.45	0.01
Average	A2	A		B+	0.47	0.02
Power Producers						
AES Corporation	Baa3	-	NYSE	B	1.53	0.27

Standard & Poor's Public Utilities
Capitalization and Financial Statistics
December 31, 1998

	Corporate Credit Rating		Common Stock	S&P Common Stock	Market Sensitivity Statistics	
	Moody's	S&P	Traded	Ranking	Adjusted Beta	R^2
Natural Gas Companies						
Coastal Corporation (2)	Baa3	BBB+	NYSE	B	0.83	0.15
Columbia Energy Group	Baa1	BBB+	NYSE	B-	0.70	0.11
Consolidated Natural Gas Co.	A2	AA-	NYSE	B+	0.82	0.16
Eastern Enterprises (1)	A3	A	NYSE	B	0.59	0.05
Enron Corporation (3)	Baa2	BBB+	NYSE	A-	0.90	0.19
NICOR, Inc. (1)	Aa1	AA	NYSE	A-	0.50	0.04
ONEOK, Inc.	A2	A	NYSE	A-	0.73	0.08
Sempra (1)	A1	A+	NYSE	NR	0.54	0.04
Peoples Energy Corp. (1)	Aa3	AA-	NYSE	B+	0.61	0.09
Sonat, Inc. (1)	A2	A-	NYSE	B+	N/A	N/A
Williams Company (2)	Baa2	BBB	NYSE	B+	0.84	0.13
Average	A2	A		B+	0.71	0.10
Average for S&P Utilities	A2	A		B+	0.56	0.05
Indexes:						
S&P Public Utilities					0.52	0.08
S&P Industrials					0.98	0.97
S&P Composite					1.00	1.00

Notes: (1) Composite rating for subsidiaries of holding companies.
(2) Composite rating for parent company as well as subsidiaries.
(3) Parent Company rating.

Source of Information: Moody's Public Utility Manual and Bond Survey
Standard & Poor's Stock and Bond Guide
Merrill Lynch Security Risk Evaluation, January 2000

SCHEDULE G-3 | CALCULATION OF THE PROJECTED TEST YEAR - COST OF CAPITAL | PAGE 2 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13 MONTH AVERAGE COST OF CAPITAL FOR THE PROJECTED TEST YEAR

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	DESCRIPTION	PER BOOKS	ADJUSTMENTS SPECIFIC	ADJUSTMENTS PRO RATA	ADJUSTED	RATIO	COST RATE	WEIGHTED COST
1	COMMON EQUITY	11,822,978	(1,533,682)	0	10,289,296	48.26%	12.00%	5.79%
2	LONG TERM DEBT	0	6,377,973	0	6,377,973	29.91%	7.52%	2.25%
3	SHORT TERM DEBT	0	2,119,103	0	2,119,103	9.94%	6.03%	0.60%
4	CUSTOMER DEPOSITS	789,257	0	0	789,257	3.70%	6.44%	0.24%
5	DEFERRED TAXES	1,392,213	0	0	1,392,213	6.53%	0.00%	0.00%
6	FLEX RATE LIABILITY	0	46,880	0	46,880	0.22%	6.30%	0.01%
7	TAX CREDIT	306,978	0	0	306,978	1.44%	0.00%	0.00%
8	TOTAL	14,311,426	7,010,274	0	21,321,700	100.00%		8.89%

SUPPORTING SCHEDULES: G-1 p.5-6, G-6 p.1

Exhibit No. PRM-1
Schedule 5
Page 1 of 2

SCHEDULE G-3 | LONG-TERM DEBT OUTSTANDING | PAGE 3 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE ANALYSIS, AS SPECIFIED, OF EACH OUTSTANDING ISSUE OF LONG-TERM DEBT, ON A 13 MONTH AVERAGE BASIS, FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR DATA: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ISSUE (1)	ISSUE DATE (2)	MATURITY DATE (3)	PRINCIPAL OUTSTANDING 12/31/01 (4)	(PREMIUM) DISCOUNT (5)	ISSUING EXPENSE (6)	NET (5)+(6) (7)	LIFE (YEARS) (8)	AMORTIZATION (7)/(8) (9)	INTEREST (10)	ANNUAL TOTAL COST (9)+(10) (11)
1	CHESAPEAKE SERIES 1- 9.37%	12/22/89	12/15/04	$2,268,000		$12,307	$12,307	2.9167	$4,219	$212,512	$216,731
2	CHESAPEAKE DEBENTURES - 8.25%	2/24/89	3/1/14	$3,614,000		$164,650	$164,650	12.1667	$13,533	298,155	$311,688
3	CHESAPEAKE SENIOR NOTE- 7.97%	2/9/93	2/1/08	$7,000,000		$71,285	$71,285	6.0833	$11,718	557,900	$569,618
4	CHESAPEAKE SENIOR NOTE 2 - 6.91	10/2/95	10/1/10	$8,181,818		$140,536	$140,536	8.7500	$16,061	565,364	$581,425
5	CHESAPEAKE SENIOR NOTE 3 - 6.85	12/15/97	1/1/12	$10,000,000		$77,121	$77,121	10.0000	$7,712	685,000	$692,712
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16	TOTAL			$31,063,818	$0	$465,899	$465,899		$53,244	$2,318,930	$2,372,174
17	UNAMORTIZED PREMIUM, DISCOUNT, AND ISSUE EXPENSE			$465,899							
18	NET			$31,529,717							
19	EMBEDDED COST OF LONG-TERM DEBT (11)/(4)			7.52%							

SUPPORTING SCHEDULES: G-1 p.8, G-6 p.1

RECAP SCHEDULES: A-1, A-5, G-3 p.2

Exhibit No. PRM-1
Schedule 5
Page 2 of 2

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Barometer Group of Seven Gas Distribution Companies

Monthly Dividend Yields

for the Twelve Months Ended February 2000

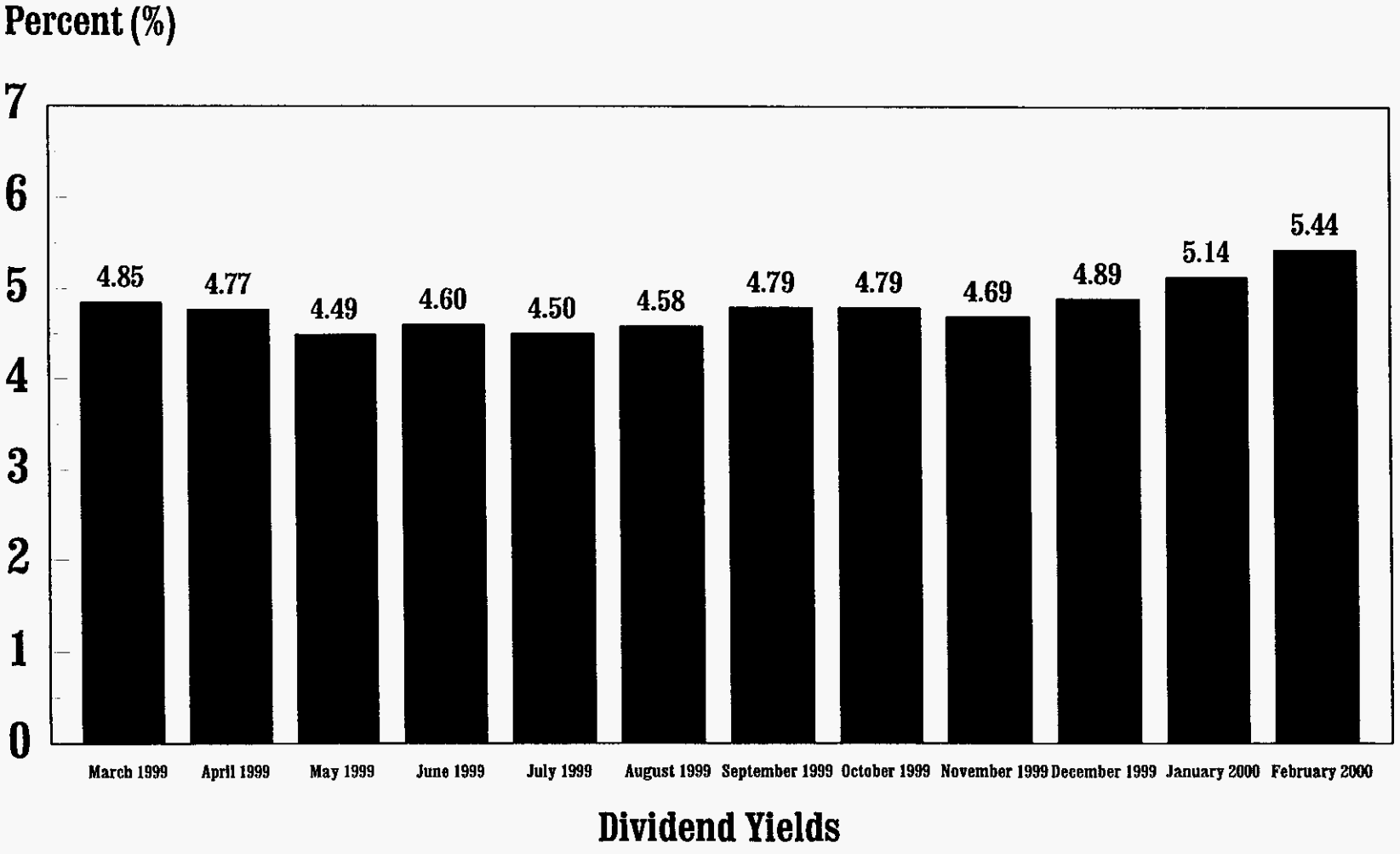
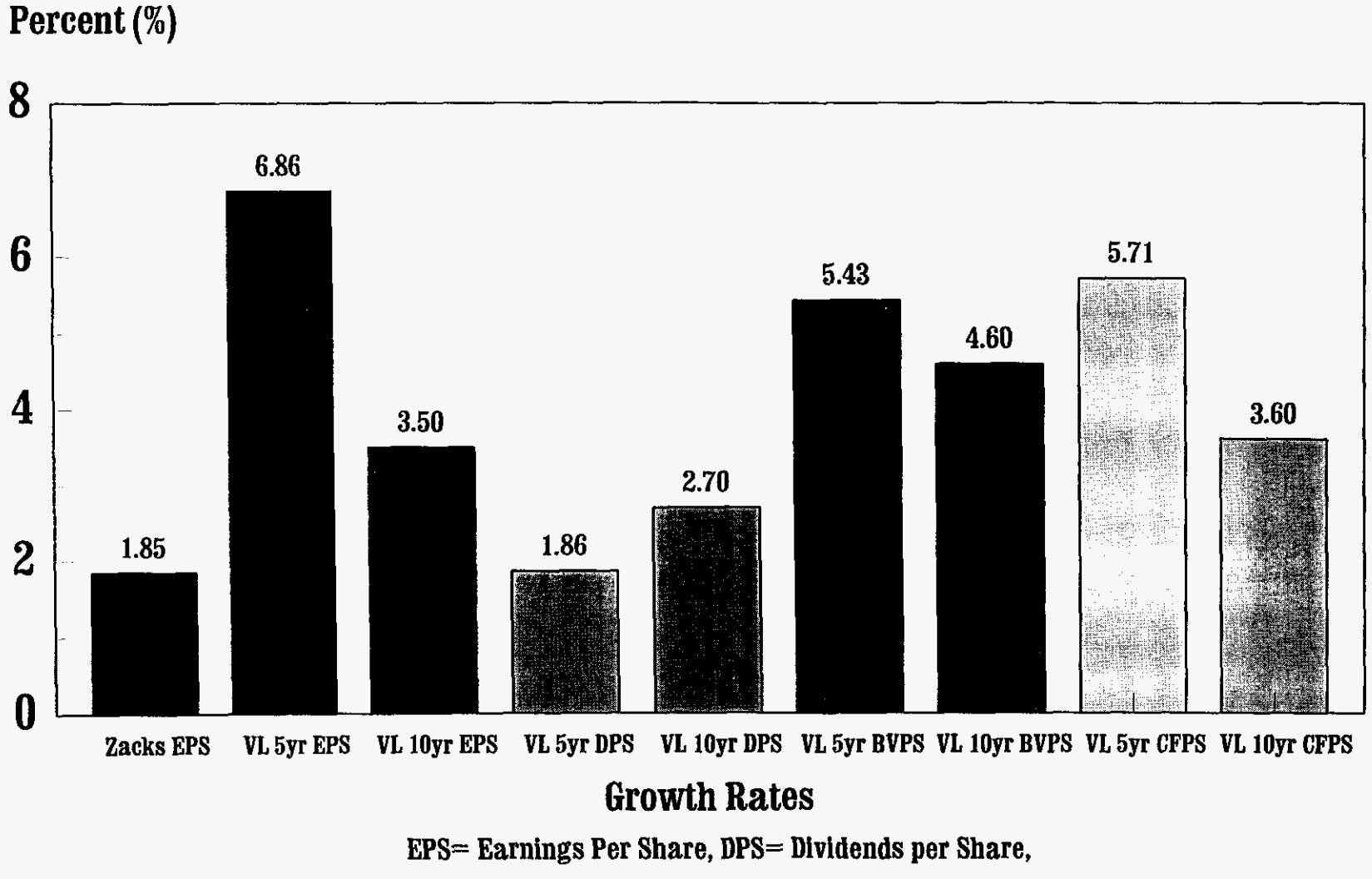


Exhibit No. PRM-1
Schedule 6

Barometer Group of Seven Gas Distribution Companies
Historical Growth Rates



EPS= Earnings Per Share, DPS= Dividends per Share,

BVPS= Book Value Per Share, CFPS= Cash Flow Per Share

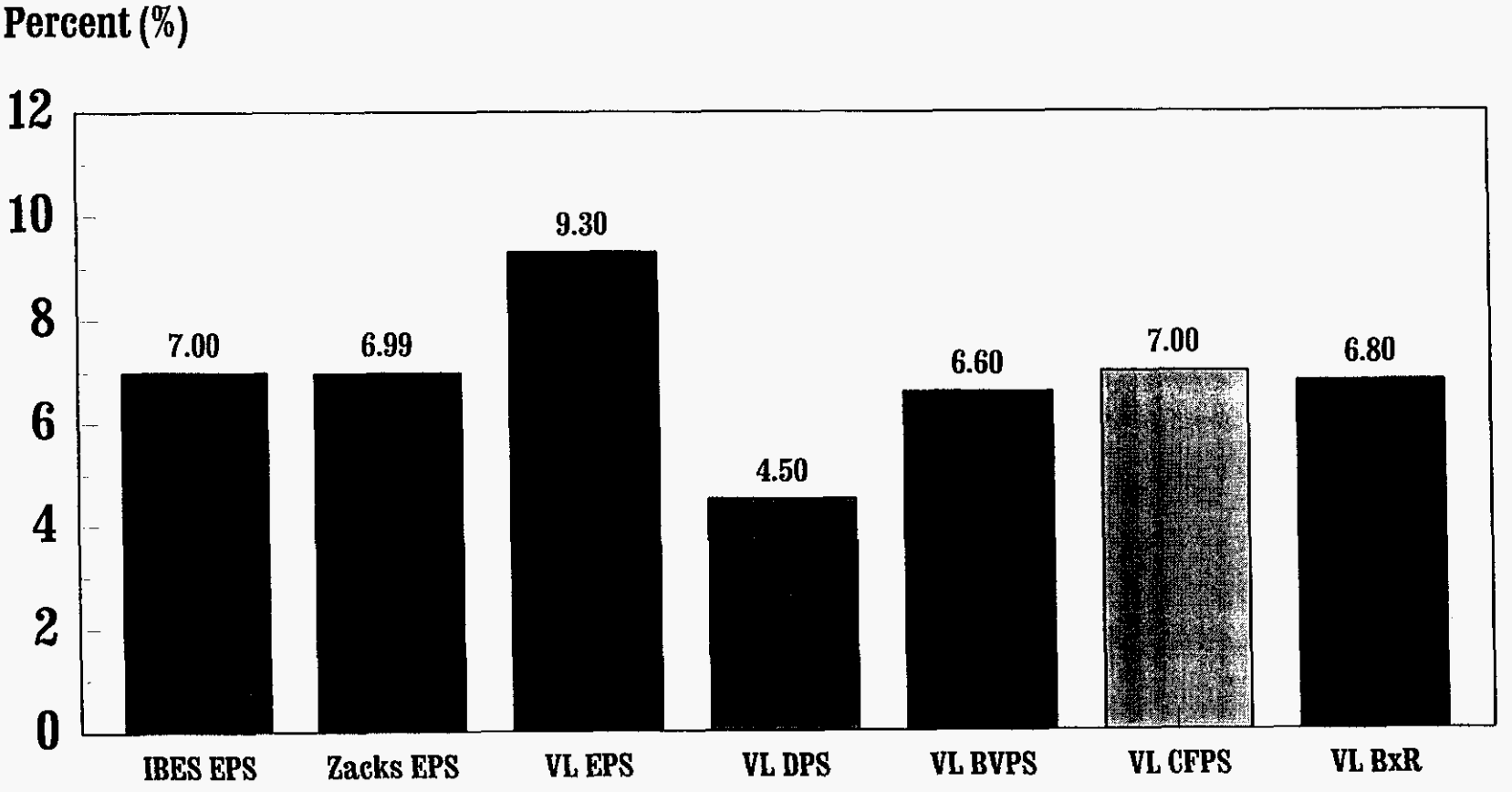
Historic Internal Growth Rates
For the Years 1994-1998

Barometer Group of Seven Gas Distribution Companies	1998	1997	1996	1995	1994	Five-Year Average	Five-Year Average Excluding Negatives
AGL Resources, Inc.							
Earnings Rate on Book Common Equity	12.6%	12.7%	13.2%	4.9%	11.6%		
Dividend Rate on Book Common Equity	9.6%	10.0%	10.2%	10.1%	10.3%		
Internal Growth Rate	3.0%	2.7%	3.0%	-5.2%	1.3%	0.9%	2.5%
Atmos Energy Corporation							
Earnings Rate on Book Common Equity	15.8%	9.5%	14.5%	12.3%	10.2%		
Dividend Rate on Book Common Equity	9.1%	10.6%	9.2%	9.2%	8.7%		
Internal Growth Rate	6.7%	-1.0%	5.3%	3.0%	1.4%	3.1%	4.1%
Chesapeake Utilities Corporation							
Earnings Rate on Book Common Equity	9.9%	12.4%	16.6%	18.2%	12.4%		
Dividend Rate on Book Common Equity	9.3%	9.5%	8.4%	8.4%	8.9%		
Internal Growth Rate	0.7%	2.9%	8.1%	9.8%	3.5%	5.0%	5.0%
Energen Corp							
Earnings Rate on Book Common Equity	11.5%	11.8%	11.9%	11.3%	15.5%		
Dividend Rate on Book Common Equity	5.8%	6.3%	7.1%	7.2%	7.6%		
Internal Growth Rate	5.7%	5.6%	4.8%	4.1%	7.8%	5.6%	5.6%
EnergySouth							
Earnings Rate on Book Common Equity	14.6%	15.4%	18.1%	9.0%	12.6%		
Dividend Rate on Book Common Equity	7.1%	7.1%	7.4%	7.6%	7.5%		
Internal Growth Rate	7.5%	8.3%	10.7%	1.4%	5.1%	6.6%	6.6%
NUI Corp.							
Earnings Rate on Book Common Equity	5.6%	9.9%	9.3%	3.9%	8.1%		
Dividend Rate on Book Common Equity	5.6%	5.3%	5.4%	5.8%	10.4%		
Internal Growth Rate	0.0%	4.6%	3.9%	-2.0%	-2.3%	0.8%	2.8%
Piedmont Natural Gas Co							
Earnings Rate on Book Common Equity	13.7%	13.4%	13.1%	12.3%	12.1%		
Dividend Rate on Book Common Equity	8.9%	8.9%	9.0%	9.3%	9.2%		
Internal Growth Rate	4.9%	4.5%	4.1%	3.0%	2.9%	3.9%	3.9%
Average							
Earnings Rate on Book Common Equity	12.0%	12.2%	13.8%	10.3%	11.8%	12.0%	
Dividend Rate on Book Common Equity	7.9%	8.2%	8.1%	8.2%	9.0%	8.3%	
Internal Growth Rate	4.1%	3.9%	5.7%	2.0%	2.8%	3.7%	4.4%

Source of Information : Company Annual Reports

Barometer Group of Seven Gas Distribution Companies

Analysts' Five-Year Projected Growth Rates



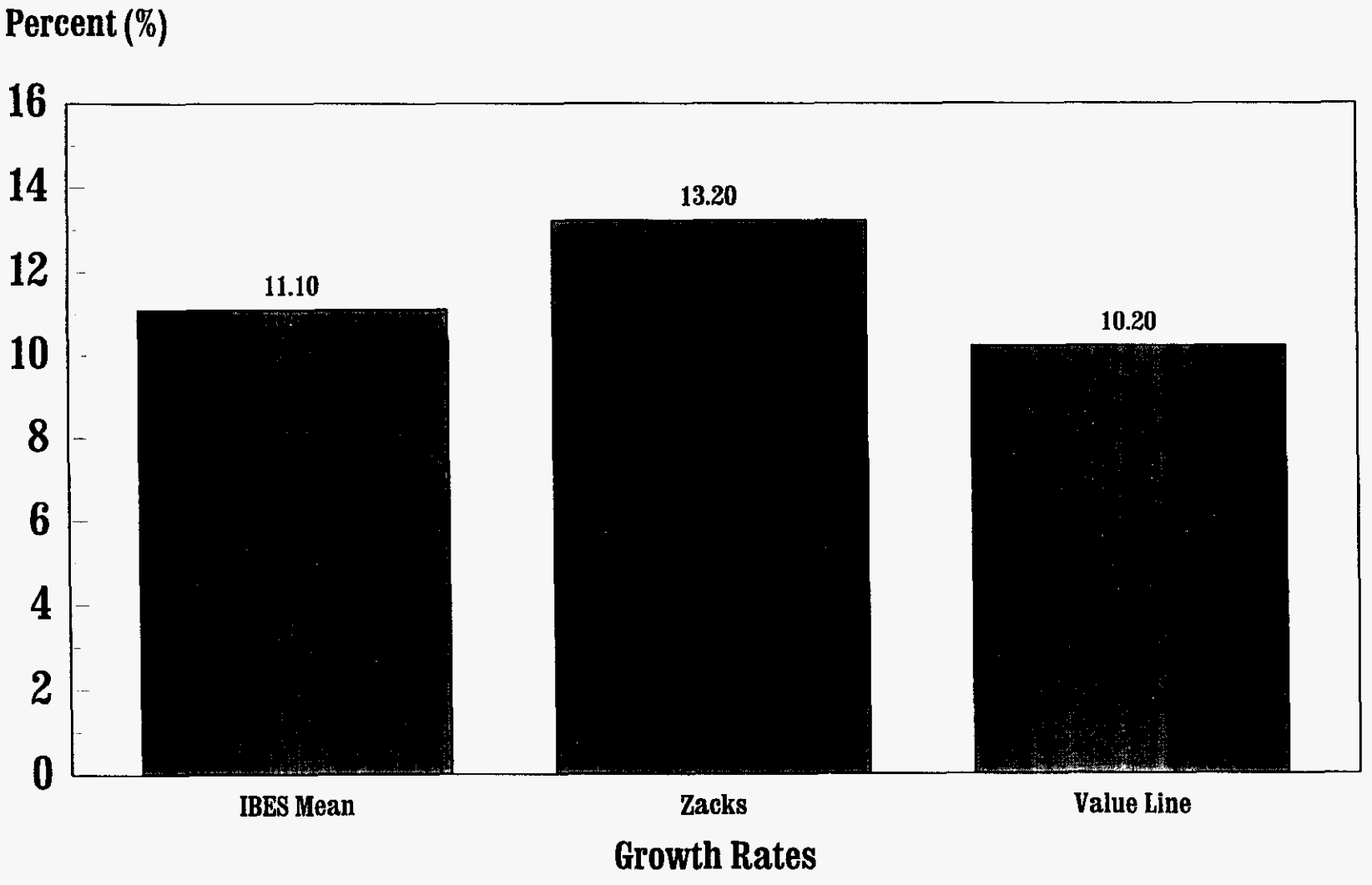
EPS= Earnings Per Share, DPS= Dividends Per Share,

BVPS= Book Value Per Share, CFPS= Cash Flow Per Share

BxR= % Retained to Common Equity

Barometer Group of Seven Gas Distribution Companies

Analysts' Projected Short-Run Earnings Growth Rates



Natural Gas Industry
Analysis of Public Offerings of Common Stock
Years 1994-1998, and to Date

	Southeastern Michigan Gas Enterprises	Connecticut Energy Corporation	Mobile Gas Service Corporation
Date of Offering	1-19-94	3-3-94	9-14-94
No. of shares Offered	650,000	900,000	400,000
Dollar amt. of offering	$13,325,000	$18,113,000	$8,800,000
Price to public	$20.500	$20.125	$22.000
Underwriter's discounts and commission	0.800	0.750	1.100
Gross Proceeds	19.700	19.375	20.900
Estimated company issuance expenses	0.077	0.156	0.438
Net proceeds to company per share	$19.623	$19.219	$20.462
Net proceeds to company	$12,754,950	$17,297,100	$8,184,800
Underwriter's discount as a percent of offering price	3.9%	3.7%	5.0%
Issuance expense as a percent of offering price	0.4	0.8	2.0
Total issuance and selling expense as a percent of offering price	4.3%	4.5%	7.0%

Source of Information: Public Utility Financial Tracker
Offering Prospectus

Exhibit No. PRM-1
Schedule 9
Page 1 of 6

Natural Gas Industry
Analysis of Public Offerings of Common Stock
Years 1994-1998, and to Date

	Northwest Natural Gas Company	MCN Corporation	Piedmont Natural Gas Company	Laclede Gas Company	United Cities Gas Company	Atlanta Gas Light Company	WICOR
Date of Offering	2-15-95	3-14-95	3-20-95	5-15-95	6-8-95	6-12-95	11-9-95
No. of shares Offered	1,000,000	2,100,000	1,500,000	1,550,000	1,200,000	1,300,000	1,100,000
Dollar amt. of offering	$29,800,000	$89,375,000	$30,000,000	$29,450,000	$17,400,000	$43,712,500	$35,062,500
Price to public	$29.750	$17.875	$20.000	$19.000	$14.500	$33.625	$31.875
Underwriter's discounts and commission	1.015	0.650	0.780	0.780	0.570	1.030	1.085
Gross Proceeds	28.735	17.225	19.220	18.220	13.930	32.595	30.790
Estimated company issuance expenses	0.150	0.048	0.078	.099	0.050	0.088	0.159
Net proceeds to company per share	$28.585	$17.177	$19.142	$18.121	$13.880	$32.507	$30.631
Net proceeds to company	$28,585,000	$36,071,700	$28,713,000	$28,087,550	$16,656,000	$42,259,100	$33,694,100
Underwriter's discount as a percent of offering price	3.4%	3.6%	3.9%	4.1%	3.9%	3.1%	3.4%
Issuance expense as a percent of offering price	0.5	0.3	0.4	0.5	0.3	0.3	0.5
Total issuance and selling expense as a percent of offering price	3.9%	3.9%	4.3%	4.6%	4.2%	3.4%	3.9%

Source of Information: Public Utility Financial Tracker
Offering Prospectus

Exhibit No. PRM-1
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Natural Gas Industry
Analysis of Public Offerings of Common Stock
Years 1994-1998, and to Date

	Connecticut Natural Gas Company	Delta Natural Gas Company	KN Energy	Cascade Natural Gas Company
Date of Offering	6-5-96	7-15-96	7-31-96	8-13-96
No. of shares Offered	640,000	350,000	3,100,000	1,350,000
Dollar amt. of offering	$14,880,000	$5,600,000	$99,975,000	$20,588,000
Price to public	$23.250	$16.000	$32.250	$15.250
Underwriter's discounts and commission	0.880	0.720	1.090	0.685
Gross Proceeds	$22.370	$15.280	$31.160	$14.565
Estimated company issuance expenses	0.119	0.214	0.145	0.111
Net proceeds to company per share	$22.251	$15.060	$31.015	$14.454
Net proceeds to company	$14,240,640	$5,273,100	$96,146,500	$19,512,900
Underwriter's discount as a percent of offering price	3.8%	4.5%	3.4%	4.5%
Issuance expense as a percent of offering price	0.5	1.3	0.4	0.7
Total issuance and selling expense as a percent of offering price	4.3%	5.8%	3.8%	5.2%

Source of Information: Public Utility Financial Tracker
Offering Prospectus

Exhibit No. PRM-1
Schedule 9
Page 3 of 6

Natural Gas Industry
Analysis of Public Offerings of Common Stock
Years 1994-1998, and to Date

	Fall River Energen Corporation	Connecticut Gas Company	Energy Corporation
Date of Offering	9-18-97	10-30-97	11-12-97
No. of shares Offered	1,200,000	340,000	900,000
Dollar amt. of offering	$42,600,000	$4,505,000	$21,825,000
Price to public	$35.500	$13.250	$24.250
Underwriter's discounts and commission	1.240	0.760	0.845
Gross Proceeds	34.260	12.490	23.405
Estimated company issuance expenses	0.104	0.429	0.234
Net proceeds to company per share	$34.156	$12.061	$23.171
Net proceeds to company	$40,987,200	$4,100,740	$20,853,900
Underwriter's discount as a percent of offering price	3.5%	5.7%	3.5%
Issuance expense as a percent of offering price	0.3	3.2	1.0
Total issuance and selling expense as a percent of offering price	3.8%	8.9%	4.5%

Source of Information: Public Utility Financial Tracker
Offering Prospectus

Exhibit No. PRM-1
Schedule 9
Page 4 of 6

Natural Gas Industry
Analysis of Public Offerings of Common Stock
Years 1994-1998, and to Date

	Roanoke Gas Company	KN Energy	Enron Corporation	Washington Gas Light Company
Date of Offering	2-22-98	3-4-98	5-5-98	11-12-98
No. of shares Offered	166,000	11,000,000	15,000,000	2,000,000
Dollar amt. of offering	$3,300,000	$572,000,000	$750,000,000	$50,125,000
Price to public	$20.000	$52.000	$50.000	$25.063
Underwriter's discounts and commission	0.850	2.030	1.500	0.840
Gross Proceeds	$19.150	$49.970	$48.500	$24.223
Estimated company issuance expenses	0.482	0.068	0.034	0.134
Net proceeds to company per share	$18.668	$49.902	$48.466	$24.089
Net proceeds to company	$3,098,888	$548,922,000	$726,990,000	$48,178,000
Underwriter's discount as a percent of offering price	4.3%	3.9%	3.0%	3.4%
Issuance expense as a percent of offering price	2.4	0.1	0.1	0.5
Total issuance and selling expense as a percent of offering price	6.7%	4.0%	3.1%	3.9%

Source of Information: Public Utility Financial Tracker
Offering Prospectus

Exhibit No. PRM-1
Schedule 9
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Natural Gas Industry
Underwriters' Discount and Company Issuance Expense as a Percent of Offering Price for Offerings of Common Stock
1994-1998, and to date

Percentage of Offering Prices Represented by:	Offering Up to $20 million	Offering Over $20 million	All Issues
Underwriters' Discount as a Percent of Offering Price	4.4%	3.6%	3.9%
Company Issuance Expense as a Percent of Offering Price	1.4	0.4	0.8
Total Issuance and Selling Expense	5.8%	4.0%	4.7%

Source of Information: Public Utility Financial Tracker
Offering Prospectus

Interest Rate Trends

for Public Utility Bonds

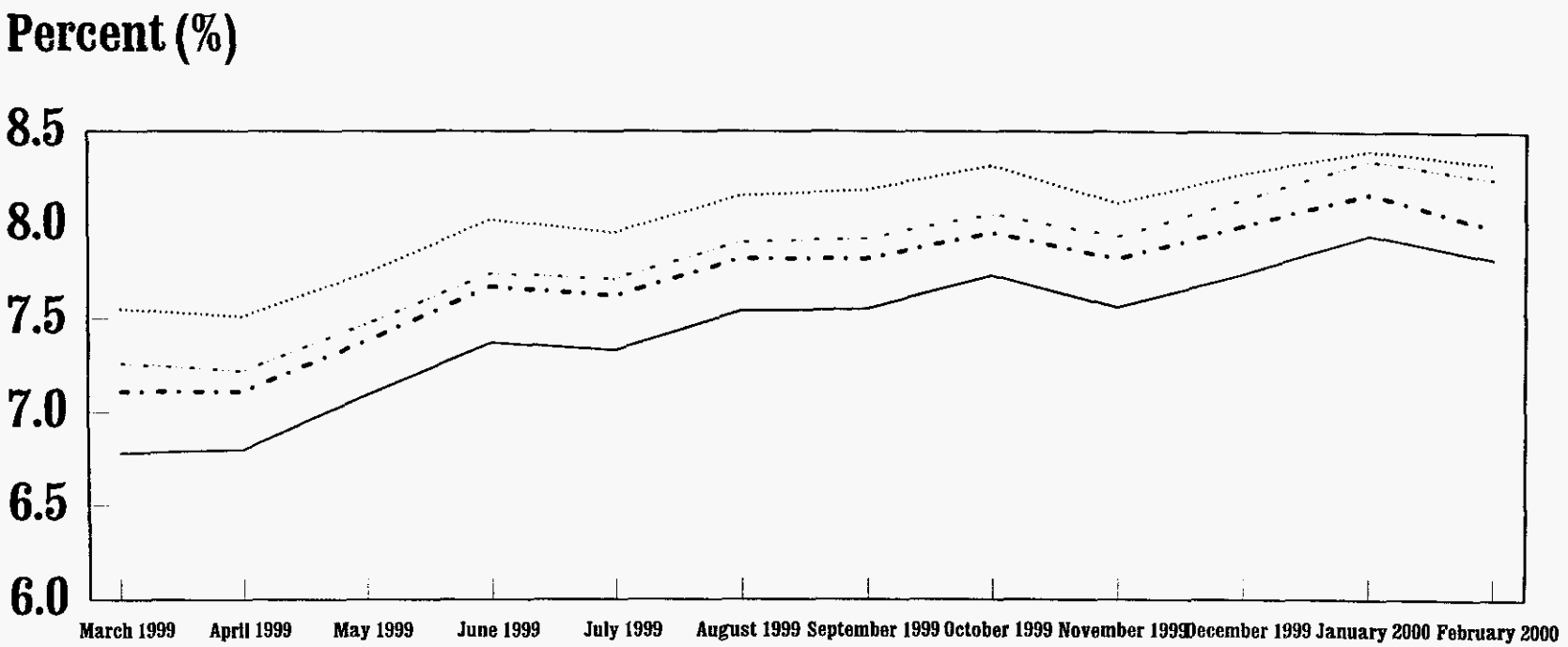


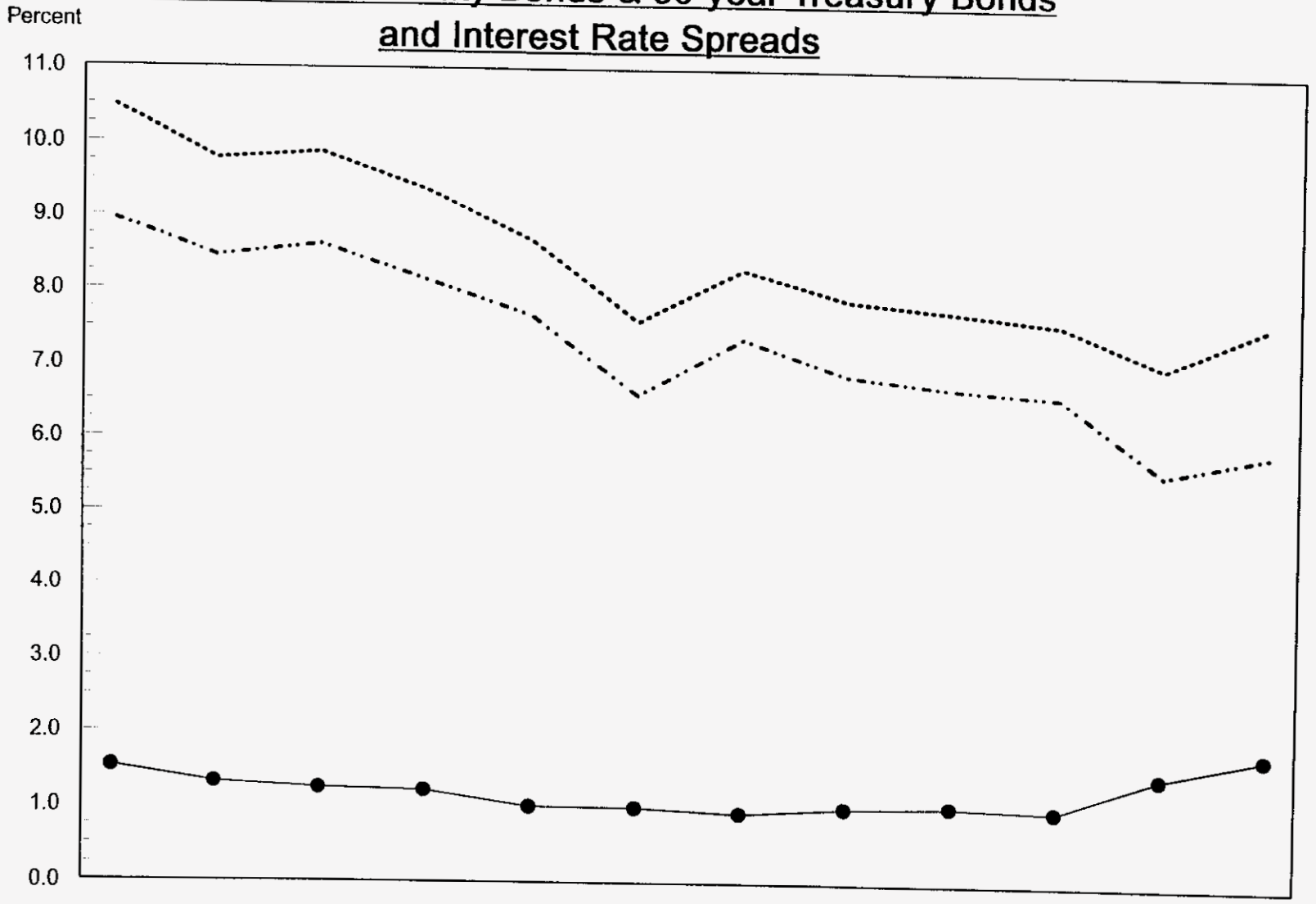
Exhibit No. PRM-1
Schedule 10
Page 1 of 4

Interest Rate Trends for Investor-Owned Public Utility Bonds
Yearly for 1995-1999
and the Twelve Months Ended February 2000

Years	Aaa Rated	Aa Rated	A Rated	Baa Rated	Average
1995	7.68%	7.77%	7.89%	8.29%	7.92%
1996	7.48%	7.57%	7.75%	8.16%	7.74%
1997	7.43%	7.54%	7.60%	7.95%	7.63%
1998	6.77%	6.91%	7.04%	7.26%	7.00%
1999	7.21%	7.51%	7.62%	7.88%	7.55%
Months					
March 1999	6.78%	7.11%	7.26%	7.55%	7.18%
April 1999	6.80%	7.11%	7.22%	7.51%	7.16%
May 1999	7.09%	7.38%	7.47%	7.74%	7.42%
June 1999	7.37%	7.67%	7.74%	8.03%	7.70%
July 1999	7.33%	7.62%	7.71%	7.96%	7.66%
August 1999	7.54%	7.82%	7.91%	8.16%	7.86%
September 1999	7.55%	7.82%	7.93%	8.19%	7.87%
October 1999	7.73%	7.96%	8.06%	8.32%	8.02%
November 1999	7.56%	7.82%	7.94%	8.12%	7.86%
December 1999	7.74%	8.00%	8.14%	8.28%	8.04%
January 2000	7.95%	8.17%	8.35%	8.40%	8.22%
February 2000	7.82%	7.99%	8.25%	8.33%	8.10%
Twelve-Month Average	7.44%	7.71%	7.83%	8.05%	7.76%

Source of Information : Moody's Investors Services, Inc. (Public Utility Manuals and Bond Surveys)

Yields on
A-rated Public Utility Bonds & 30-year Treasury Bonds
and Interest Rate Spreads

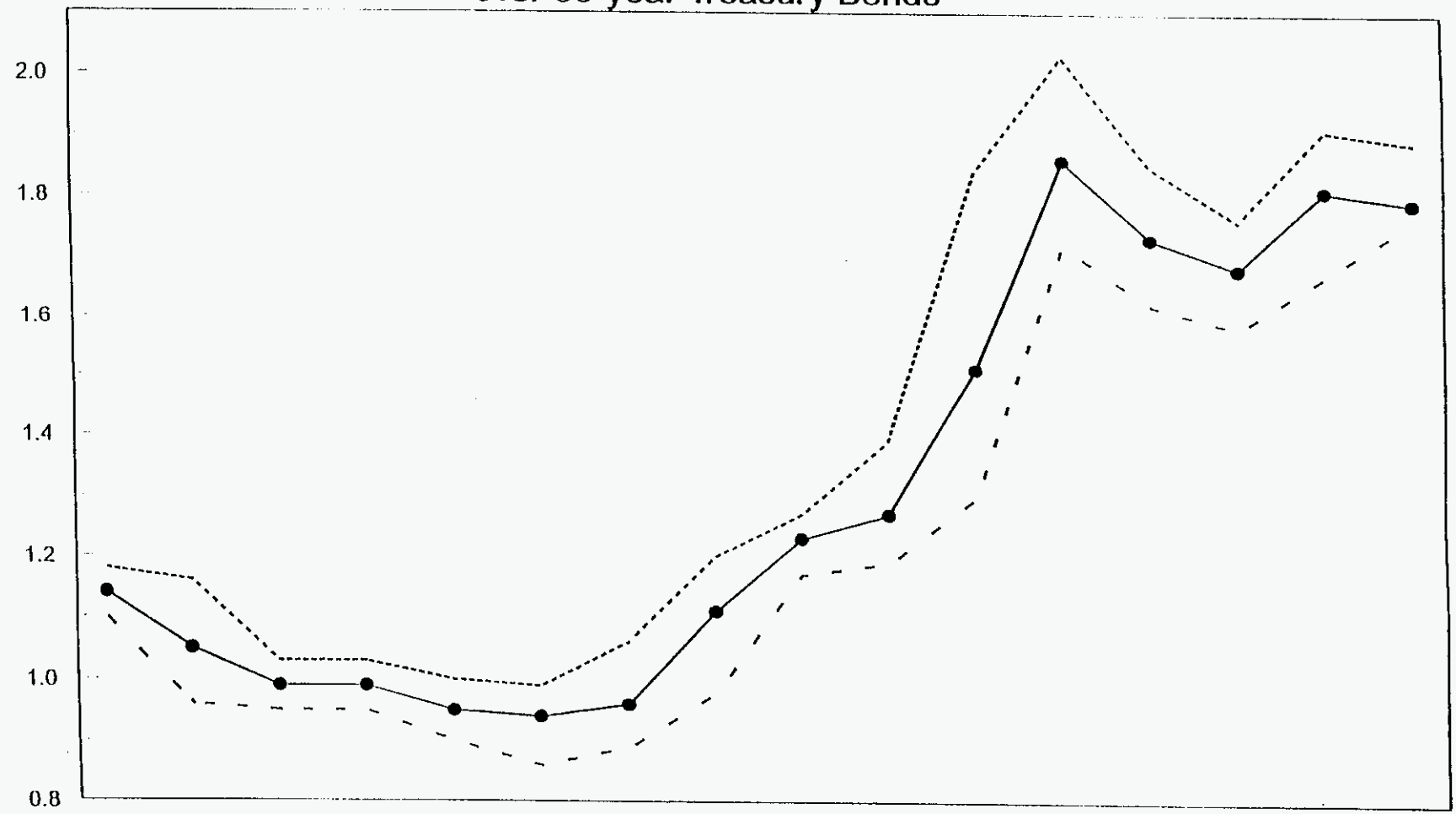


	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
A rated Pub. Util.	10.49	9.77	9.86	9.36	8.68	7.59	8.30	7.89	7.75	7.60	7.04	7.63
30-year Treasury	8.96	8.45	8.61	8.14	7.67	6.59	7.37	6.88	6.71	6.61	5.58	5.87
Spread	1.53	1.32	1.25	1.22	1.01	1.00	0.93	1.01	1.04	0.99	1.46	1.75

Exhibit No. PRM-1
Schedule 10
Page 3 of 4

Interest Rate Spreads
A-rated Public Utility Bonds
over 30-year Treasury Bonds

Percentage Points



	Mar-96	Jun-96	Sep-96	Dec-96	Mar-97	Jun-97	Sep-97	Dec-97	Mar-98	Jun-98	Sep-98	Dec-98	Mar-99	Jun-99	Sep-99	Dec-99
High	1.18	1.16	1.03	1.03	1.00	0.99	1.06	1.20	1.27	1.39	1.84	2.03	1.85	1.76	1.91	1.89
Avg	1.14	1.05	0.99	0.99	0.95	0.94	0.96	1.11	1.23	1.27	1.51	1.86	1.73	1.68	1.81	1.79
Low	1.10	0.96	0.95	0.95	0.90	0.86	0.89	0.98	1.17	1.19	1.30	1.72	1.62	1.58	1.67	1.76

Spreads are calculated daily, with the average covering an entire quarter

Exhibit No. PRM-1
Schedule 10
Page 4 of 4

S&P Composite Index and S&P Public Utility Index
Long-Term Corporate and Public Utility Bonds
Yearly Total Returns
1928-1999

Year	S & P Composite Index	S & P Public Utility Index	Long Term Corporate Bonds	Public Utility Bonds
1928	43.61%	57.47%	2.84%	3.08%
1929	-8.42%	11.02%	3.27%	2.34%
1930	-24.90%	-21.98%	7.98%	4.74%
1931	-43.34%	-35.90%	-1.85%	-11.11%
1932	-8.19%	-0.54%	10.82%	7.25%
1933	53.99%	-21.87%	10.38%	-3.62%
1934	-1.44%	-20.41%	13.84%	22.61%
1935	47.67%	76.63%	9.61%	16.03%
1936	33.92%	20.69%	6.74%	8.30%
1937	-35.03%	-37.04%	2.75%	-4.05%
1938	31.12%	22.45%	6.13%	6.11%
1939	-0.41%	11.26%	3.97%	6.76%
1940	-9.78%	-17.15%	3.39%	4.45%
1941	-11.59%	-31.57%	2.73%	2.15%
1942	20.34%	15.39%	2.60%	3.81%
1943	25.90%	46.07%	2.83%	7.04%
1944	19.75%	18.03%	4.73%	3.29%
1945	36.44%	53.33%	4.08%	5.92%
1946	-8.07%	1.26%	1.72%	2.98%
1947	5.71%	-13.16%	-2.34%	-2.19%
1948	5.50%	4.01%	4.14%	2.65%
1949	18.79%	31.39%	3.31%	7.16%
1950	31.71%	3.25%	2.12%	2.01%
1951	24.02%	18.63%	-2.69%	-2.77%
1952	18.37%	19.25%	3.52%	2.99%
1953	-0.99%	7.85%	3.41%	2.08%
1954	52.62%	24.72%	5.39%	7.57%
1955	31.56%	11.26%	0.48%	0.12%
1956	6.56%	5.06%	-6.81%	-6.25%
1957	-10.78%	6.36%	8.71%	3.58%
1958	43.36%	40.70%	-2.22%	0.18%
1959	11.96%	7.49%	-0.97%	-2.29%
1960	0.47%	20.26%	9.07%	9.01%
1961	26.89%	29.33%	4.82%	4.65%
1962	-8.73%	-2.44%	7.95%	6.55%
1963	22.80%	12.36%	2.19%	3.44%
1964	16.48%	15.91%	4.77%	4.94%
1965	12.45%	4.67%	-0.46%	0.50%
1966	-10.06%	-4.48%	0.20%	-3.45%
1967	23.98%	-0.63%	-4.95%	-3.63%
1968	11.06%	10.32%	2.57%	1.87%
1969	-8.50%	-15.42%	-8.09%	-6.66%
1970	4.01%	16.56%	18.37%	15.90%
1971	14.31%	2.41%	11.01%	11.59%
1972	18.98%	8.15%	7.26%	7.19%
1973	-14.66%	-18.07%	1.14%	2.42%
1974	-26.47%	-21.55%	-3.06%	-5.28%
1975	37.20%	44.49%	14.64%	15.50%
1976	23.84%	31.81%	18.65%	19.04%
1977	-7.18%	8.64%	1.71%	5.22%
1978	6.56%	-3.71%	-0.07%	-0.98%
1979	18.44%	13.58%	-4.18%	-2.75%
1980	32.42%	15.08%	-2.76%	-0.23%
1981	-4.91%	11.74%	-1.24%	4.27%
1982	21.41%	26.52%	42.56%	33.52%
1983	22.51%	20.01%	8.26%	10.33%
1984	6.27%	26.04%	16.86%	14.82%
1985	32.16%	33.05%	30.09%	26.48%
1986	18.47%	26.53%	19.85%	18.16%
1987	5.23%	-2.92%	-0.27%	3.02%
1988	16.81%	18.27%	10.70%	10.19%
1989	31.49%	47.90%	16.23%	15.61%
1990	-3.17%	-2.57%	6.78%	8.13%
1991	30.55%	14.61%	19.89%	19.25%
1992	7.67%	8.10%	9.39%	8.65%
1993	9.99%	14.41%	13.19%	10.59%
1994	1.31%	-7.94%	-5.76%	-4.72%
1995	37.43%	42.15%	27.20%	22.81%
1996	23.07%	3.14%	1.40%	3.04%
1997	33.36%	24.69%	12.95%	11.39%
1998	28.58%	14.82%	10.76%	9.44%
1999	21.04%	-8.85%	-7.45%	-1.69%
Geometric Mean	11.02%	8.87%	5.56%	5.43%
Arithmetic Mean	12.97%	11.01%	5.90%	5.73%
Standard Deviation	20.22%	21.68%	8.83%	8.21%
Median	16.65%	11.26%	3.75%	4.36%

Tabulation of Risk Rate Differentials for
S&P Public Utility Index and Public Utility Bonds
For the Years 1928-1999, 1952-1999, 1974-1999 and 1979-1999

Total Returns	Range			Point Estimate	Average of the Midpoint of Range and Point Estimate
	Geometric Mean	Median	Midpoint	Arithmetic Mean	
1928-1999					
S&P Public Utility Index	8.87%	11.26%		11.01%	
Public Utility Bonds	5.43%	4.36%		5.73%	
Risk Differential	3.44%	6.90%	5.17%	5.28%	5.23%
1952-1999					
S&P Public Utility Index	11.43%	12.05%		12.53%	
Public Utility Bonds	6.24%	4.80%		6.59%	
Risk Differential	5.19%	7.25%	6.22%	5.94%	6.08%
1974-1999					
S&P Public Utility Index	14.10%	14.72%		15.38%	
Public Utility Bonds	9.34%	9.82%		9.76%	
Risk Differential	4.76%	4.90%	4.83%	5.62%	5.23%
1979-1999					
S&P Public Utility Index	15.26%	14.82%		16.20%	
Public Utility Bonds	10.08%	10.19%		10.49%	
Risk Differential	5.18%	4.63%	4.91%	5.71%	5.31%

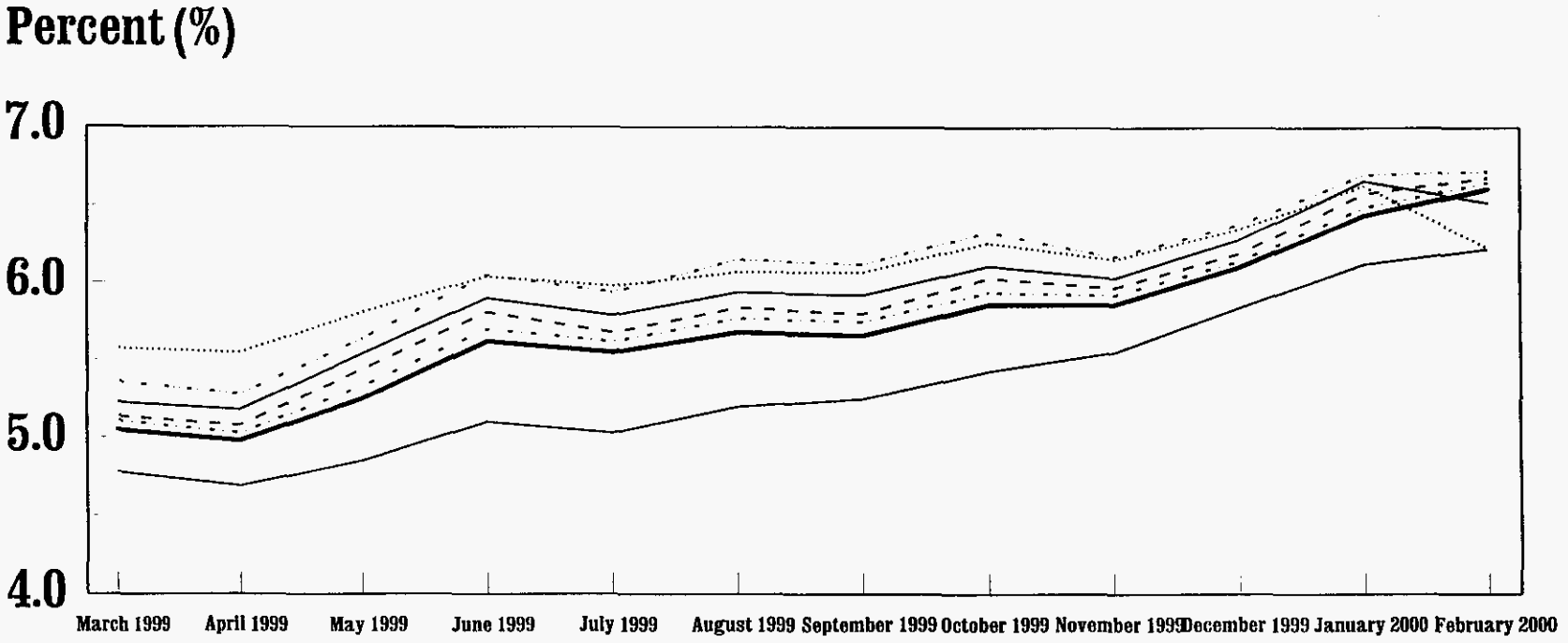
Merrill Lynch and Value Line
Adjusted Betas for
the Barometer Group of Seven Gas Distribution Companies

	Merrill Lynch Adjusted Beta	Value Line Adjusted Beta	Average Adjusted Beta
Barometer Group of Seven Gas Companies			
AGL Resources	0.64	0.65	0.65
Atmos Energy Group	0.47	0.55	0.51
Chesapeake Utilities	0.42	0.40	0.41
Energen Corp	0.63	0.75	0.69
EnergySouth Inc.	0.33	0.50	0.42
NUI Corporation	0.51	0.70	0.61
Piedmont Natural Gas	0.52	0.55	0.54
Average	0.50	0.59	0.55

Source of Information: Merrill Lynch Security Price Index, January 2000
Value Line Investment Survey, December 24, 1999

Interest Rate Trends

for Treasury Constant Maturities



Interest Rate Trends for Treasury Constant Maturities
Yearly for 1995-1999
and the Twelve Months Ended February 2000

Years	1-Year	2-Year	3-Year	5-Year	7-Year	10-Year	30-Year
1995	5.95%	6.16%	6.26%	6.39%	6.50%	6.58%	6.88%
1996	5.51%	5.84%	5.99%	6.18%	6.34%	6.44%	6.70%
1997	5.63%	5.99%	6.10%	6.22%	6.32%	6.35%	6.61%
1998	5.05%	5.13%	5.14%	5.15%	5.28%	5.26%	5.58%
1999	5.08%	5.43%	5.49%	5.54%	5.78%	5.64%	5.87%
Months							
March 1999	4.78%	5.05%	5.11%	5.14%	5.36%	5.23%	5.58%
April 1999	4.69%	4.98%	5.03%	5.08%	5.28%	5.18%	5.55%
May 1999	4.85%	5.25%	5.33%	5.44%	5.64%	5.54%	5.81%
June 1999	5.10%	5.62%	5.70%	5.81%	6.05%	5.90%	6.04%
July 1999	5.03%	5.55%	5.62%	5.68%	5.94%	5.79%	5.98%
August 1999	5.20%	5.68%	5.77%	5.84%	6.15%	5.94%	6.07%
September 1999	5.25%	5.66%	5.75%	5.80%	6.12%	5.92%	6.07%
October 1999	5.43%	5.86%	5.94%	6.03%	6.33%	6.11%	6.26%
November 1999	5.55%	5.86%	5.92%	5.97%	6.17%	6.03%	6.15%
December 1999	5.84%	6.10%	6.14%	6.19%	6.38%	6.28%	6.35%
January 2000	6.12%	6.44%	6.49%	6.58%	6.70%	6.66%	6.63%
February 2000	6.22%	6.61%	6.65%	6.68%	6.72%	6.52%	6.23%
Twelve-Month Average	5.34%	5.72%	5.79%	5.85%	6.07%	5.93%	6.06%

Source of Information : Federal Reserve Statistical Release

Measures of the Risk Free Rate
Using Blue Chip Financial Forecasts

The forecast Treasury yields per the consensus of nearly 50 economists reported in the Blue Chip Financial Forecasts dated March 1, 2000.

	Treasury Note Yield 10-Year	Treasury Bond Yield 30-Year
First Quarter 2000	6.6%	6.4%
Second Quarter 2000	6.6	6.4
Third Quarter 2000	6.6	6.4
Fourth Quarter 2000	6.5	6.3
First Quarter 2001	6.4	6.3
Second Quarter 2001	6.4	6.2

Source of Information: Blue Chip Financial Forecasts, March 1, 2000.

THE VALUE LINE Investment Survey®

Part 1
Summary & Index

File at the front of the *Ratings & Reports* binder. Last week's *Summary & Index* should be removed.

March 10, 2000

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SCREENS

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The Median of Estimated
PRICE-EARNINGS RATIOS
of all stocks with earnings

12.9

26 Weeks Ago	Market Low	Market High
15.7	10-28-87 10.6	4-22-98 19.7

The Median of Estimated
DIVIDEND YIELDS
(next 12 months) of all dividend paying stocks under review

2.4%

26 Weeks Ago	Market Low	Market High
1.9%	10-28-87 3.7%	4-22-98 1.6%

The Estimated Median Price
APPRECIATION POTENTIAL
of all 1700 stocks in the hypothesized *economic environment* 3 to 5 years hence

95%

26 Weeks Ago	Market Low	Market High
65%	10-28-87 120%	4-22-98 35%

ANALYSES OF INDUSTRIES IN ALPHABETICAL ORDER WITH PAGE NUMBER

Numeral in parenthesis after the industry is rank for probable performance (next 12 months).

	PAGE		PAGE		PAGE		PAGE
Advertising (4)	1854	Drugstore (80)	807	Internet (5)	2213	Retail Building Supply (13)	883
Aerospace/Defense (71)	551	Educational Services (22)	1584	Investment Co. (68)	969	Retail (Special Lines) (16)	1669
Air Transport (83)	1148, 261	Electrical Equipment (35)	1001	Investment Co.(Foreign) (14)	375	Retail Store (41)	1640
Aluminum (–)	1219	Electric Util. (Central) (87)	701	*Machinery (53)*	1301	*Securities Brokerage (8)*	1407
Apparel (52)	1611	*Electric Utility (East) (85)	156	Manuf. Housing/Rec Veh (82)	1549	Semiconductor (2)	1052
*Auto & Truck (37)	101	Electric Utility (West) (79)	1736	Maritime (39)	294	Semiconductor Cap Equip (1)	1079
Auto Parts (OEM) (60)	813	Electronics (3)	1019	Medical Services (30)	642	Shoe (42)	1660
*Auto Parts (Replacement) (88)	111	Entertainment (57)	1793	*Medical Supplies (21)	188	Steel (General) (48)	584
Bank (77)	2101	Environmental (89)	366	Metal Fabricating (47)	569	Steel (Integrated) (54)	1394
Bank (Canadian) (44)	1570	Financial Svcs. (Div.) (33)	1757, 2133	Metals & Mining (Div.) (12)	1219	Telecom. Equipment (7)	771
Bank (Midwest) (72)	625	Food Processing (78)	1461	Natural Gas (Distrib.) (70)	463	Telecom. Services (28)	733
Beverage (Alcoholic) (24)	1530	Food Wholesalers (17)	1523	*Natural Gas(Diversified) (32)*	443	*Textile (55)*	1627
Beverage (Soft Drink) (62)	1539	Foreign Electron/Entertn (29)	1557	Newspaper (46)	1836	Thrift (76)	1161
Building Materials (73)	851	Foreign Telecom. (6)	791	Office Equip & Supplies (67)	1118	*Tire & Rubber (86)	117
Cable TV (31)	840	Furn./Home Furnishings (49)	899	Oilfield Services/Equip. (45)	1874	Tobacco (84)	1760, 1577
Canadian Energy (25)	429	Gold/Silver Mining (43)	1209	*Packaging & Container (64)*	938	Toiletries/Cosmetics (69)	831
Cement & Aggregates (38)	891	Grocery (74)	1508	Paper & Forest Products (36)	911	Trucking/Transp. Leasing (23)	275
Chemical (Basic) (65)	1231	Healthcare Information (81)	673	Petroleum (Integrated) (51)	401	Water Utility (91)	1400
Chemical (Diversified) (59)	1896	*Home Appliance (66)	123	Petroleum (Producing) (18)	1861		
Chemical (Specialty) (50)	488	*Homebuilding (26)*	868	*Precision Instrument (15)*	130		
Computer & Peripherals (10)	1086	Hotel/Gaming (27)	1807	Publishing (34)	1822		
Computer Software & Svcs (9)	2168	Household Products (20)	952	Railroad (19)	300		
Copper (–)	1220	Industrial Services (61)		R.E.I.T. (56)	1180		
Diversified Co. (63)	1351	*Insurance (Life) (75)*	1196	*Recreation (40)*	1771		
Drug (11)	1240	Insurance(Prop/Casualty) (90)	1757, 597	Restaurant (58)	309		

*Reviewed in this week's edition.

In three parts: This is Part 1, the Summary & Index. Part 2 is Selection & Opinion. Part 3 is Ratings & Reports. Volume LV, No. 27.
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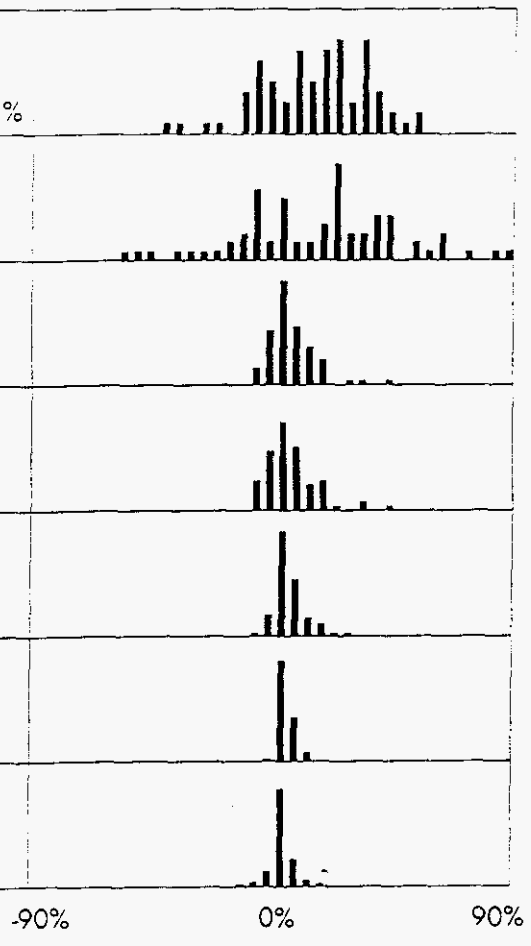
Table 2-1

Basic Series:
Summary Statistics of
Annual Total Returns

Exhibit No. PRM-1
Schedule 12
Page 6 of 6

From 1926 to 1999

Series	Geometric Mean	Arithmetic Mean	Standard Deviation	Distribution
Large Company Stocks	11.3%	13.3%	20.1%	
Small Company Stocks	12.6	17.6	33.6	
Long-Term Corporate Bonds	5.6	5.9	8.7	
Long-Term Government	5.1	5.5	9.3	
Intermediate-Term Government	5.2	5.4	5.8	
U.S. Treasury Bills	3.8	3.8	3.2	
Inflation	3.1	3.2	4.5	



* The 1933 Small Company Stock Total Return was 142.9 percent.

Comparable Earnings Approach for
Barometer Group of Seven Gas Distribution Companies
All Value Line Non-Utility Companies with Timeliness of 3, 4 and 5,
Safety Ranking of 2, and 3, Financial Strength of B+ and B++,
Price Stability 80 to 100, Beta's of .40 to .75
and Technical Rank of 2, 3 or 4

Company Name	Industry Name	Time-liness Rank	Safety Rank	Financial Strength	Price Stability	Beta	Technical Rank
Alberto Culver 'B'	COSMETIC	3	2	B++	90	0.75	3
Alexander & Baldwin	MARITIME	3	3	B+	80	0.7	3
Ameron Int'l	BUILDING	3	3	B+	90	0.65	3
Archer Daniels Midl'd	FOODPROC	4	3	B+	85	0.75	4
Baldor Electric	ELECEQ	4	2	B++	90	0.65	3
Bandag Inc.	TIRE	4	2	B++	90	0.75	4
Block Drug 'A'	DRUG	4	3	B+	80	0.6	3
Burlington Resources	OILPROD	3	3	B++	80	0.75	4
Cincinnati Financial	INSPRPTY	4	2	B++	80	0.75	4
Curtiss-Wright	MACHINE	3	2	B++	90	0.65	3
Dean Foods	FOODPROC	3	3	B+	85	0.7	3
Franklin Electric	ELECEQ	3	3	B+	80	0.5	3
Gen'l Mills	FOODPROC	4	2	B++	100	0.65	3
Int'l Aluminum	BUILDING	4	2	B+	100	0.55	4
Liberty Corp.	INSLIFE	4	3	B+	95	0.75	3
Markel Corp.	INSPRPTY	5	2	B++	95	0.7	4
McCormick & Co.	FOODPROC	3	2	B++	90	0.6	3
NCH Corp.	CHEMSPEC	3	2	B++	95	0.6	4
National Presto Ind.	APPLIANC	4	2	B+	100	0.55	3
Phillips Petroleum	OILINTEG	4	3	B+	90	0.75	3
RLI Corp.	INSPRPTY	4	3	B+	90	0.7	3
Selective Ins. Group	INSPRPTY	4	3	B+	85	0.65	3
Smucker (J.M.) 'A'	FOODPROC	3	3	B++	80	0.7	3
Tennant Co.	MACHINE	4	2	B++	85	0.55	3
Transatlantic Hldgs.	INSPRPTY	4	2	B++	100	0.7	3
Unitrin Inc.	FINSVCS	4	2	B++	95	0.75	3
Universal Foods	FOODPROC	3	2	B++	90	0.7	3
West Pharmac. Svcs.	MEDSUPPL	5	3	B+	95	0.5	3
Averages		3.7	2.5	B++	89.5	0.66	3.3
Barometer Group	- Range	3 to 5	2 to 3	B+ to B++	80 to 100	.40 to .75	2 to 4

Source of Information: Value Line Investment Survey for Windows, February 2000

Comparable Earnings Approach
Five Year Average Historical Earned Returns
for the Years 1994-1998 and
Projected 3-5 Year Returns

Company Name	1994	1995	1996	1997	1998	Average	Projected 3-5 Year Return
Alberto Culver 'B'	13.5%	14.2%	14.8%	15.2%	15.6%	14.7%	13.0%
Alexander & Baldwin	11.8%	6.1%	9.1%	9.6%	8.6%	9.0%	14.0%
Ameron Int'l	7.2%	9.3%	10.6%	12.7%	9.7%	9.9%	10.0%
Archer Daniels Midl'd	9.6%	13.6%	11.3%	9.2%	6.8%	10.1%	8.5%
Baldor Electric	14.3%	15.3%	17.6%	16.6%	16.9%	16.1%	16.5%
Bandag Inc.	21.7%	24.3%	19.9%	16.4%	12.7%	19.0%	12.5%
Block Drug 'A'	9.0%	8.4%	10.2%	8.0%	7.5%	8.6%	8.5%
Burlington Resources	6.0%	1.1%	10.9%	11.9%	2.8%	6.5%	14.5%
Cincinnati Financial	10.4%	8.5%	7.0%	6.3%	4.3%	7.3%	7.0%
Curtiss-Wright	12.3%	10.6%	8.8%	12.6%	12.7%	11.4%	11.5%
Dean Foods	13.5%	13.7%	9.5%	15.3%	14.2%	13.2%	18.5%
Franklin Electric	28.8%	19.2%	21.5%	25.0%	27.1%	24.3%	20.0%
Gen'l Mills	33.5%	NMF	NMF	96.0%	NMF	64.8%	NMF
Int'l Aluminum	7.1%	11.9%	6.5%	5.9%	8.0%	7.9%	10.5%
Liberty Corp.	10.5%	9.6%	10.3%	10.5%	9.8%	10.1%	10.5%
Markel Corp.	13.4%	16.2%	13.0%	9.8%	10.0%	12.5%	6.5%
McCormick & Co.	21.9%	18.8%	18.5%	5.0%	27.2%	18.3%	37.5%
NCH Corp.	11.3%	12.1%	11.5%	9.6%	11.6%	11.2%	10.5%
National Presto Ind.	8.8%	7.7%	6.0%	6.8%	7.8%	7.4%	9.0%
Phillips Petroleum	12.4%	16.5%	18.2%	16.7%	8.0%	14.4%	17.5%
RLI Corp.	NMF	5.0%	12.8%	11.3%	9.6%	9.7%	10.5%
Selective Ins. Group	11.6%	12.1%	11.7%	12.3%	8.8%	11.3%	10.5%
Smucker (J.M.) 'A'	14.1%	10.7%	10.6%	12.0%	11.6%	11.8%	14.5%
Tennant Co.	16.4%	17.2%	16.3%	18.1%	19.3%	17.5%	17.0%
Transatlantic Hldgs.	13.3%	13.3%	13.6%	13.7%	15.4%	13.9%	12.0%
Unitrin Inc.	8.4%	9.9%	9.0%	9.9%	8.4%	9.1%	9.5%
Universal Foods	17.9%	15.7%	17.4%	17.0%	17.9%	17.2%	18.5%
West Pharmac. Svcs.	12.0%	11.3%	12.5%	13.1%	16.3%	13.0%	17.0%
Average						14.3%	13.1%
Median						11.6%	11.8%

Source of Information: Value Line Investment Survey for Windows, February 2000
Value Line Investment Survey (Various Editions)

Composite Exhibit No. PRM-2

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION

Docket No. 000108-GU

Appendices A Through J to Accompany

the Direct Testimony

of

Paul R. Moul, Managing Consultant
P. Moul & Associates, Inc.

Concerning
Cost of Capital

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EDUCATIONAL BACKGROUND, BUSINESS EXPERIENCE AND QUALIFICATIONS

I was awarded a degree of Bachelor of Science in Business Administration by Drexel University in 1971. While at Drexel, I participated in the Cooperative Education Program which included employment, for one year, with American Water Works Service Company, Inc., as an internal auditor, where I was involved in the audits of several operating water companies of the American Water Works System and participated in the preparation of annual reports to regulatory agencies and assisted in other general accounting matters.

Upon graduation from Drexel University, I was employed by American Water Works Service Company, Inc., in the Eastern Regional Treasury Department where my duties included preparation of rate case exhibits for submission to regulatory agencies, as well as responsibility for various treasury functions of the thirteen New England operating subsidiaries.

In 1973, I joined the Municipal Financial Services Department of Betz Environmental Engineers, a consulting engineering firm, where I specialized in financial studies for municipal water and sewer systems.

In 1974, I joined Associated Utility Services, Inc., now known as AUS Consultants. I held various positions with the Utility Services Group of AUS Consultants, concluding my employment there as a Senior Vice President.

In 1994, I formed P. Moul & Associates, an independent financial and regulatory consulting firm. In my capacity as Managing Consultant and for the past twenty-five years, I have continuously studied the rate of return requirements for cost of service regulated firms. In this regard, I have supervised the preparation of rate of return studies which were employed in connection with my

testimony and in the past for other individuals. I have presented direct testimony on the subject of fair rate of return, evaluated rate of return testimony of other witnesses, and presented rebuttal testimony.

My studies and prepared direct testimony have been presented before twenty-eight (28) federal, state and municipal regulatory commissions, consisting of: the Federal Energy Regulatory Commission; state public utility commissions in Alabama, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Tennessee, Pennsylvania, South Carolina, Virginia, and West Virginia; and the Philadelphia Gas Commission. My testimony has been offered in over 200 rate cases involving electric power, natural gas distribution and transmission, resource recovery, solid waste collection and disposal, telephone, wastewater, and water service utility companies. While my testimony has involved principally fair rate of return and financial matters, I have also testified on capital allocations, capital recovery, cash working capital, income taxes, factoring of accounts receivable, and take-or-pay expense recovery. My testimony has been offered on behalf of municipal and investor-owned public utilities and for the staff of a regulatory commission. I have also testified at an Executive Session of the State of New Jersey Commission of Investigation concerning the BPU regulation of solid waste collection and disposal.

I was a co-author of a verified statement submitted to the Interstate Commerce Commission concerning the 1983 Railroad Cost of Capital (Ex Parte No. 452). I was also co-author of comments submitted to the Federal Energy Regulatory Commission regarding the Generic Determination of Rate of Return on Common Equity for Public Utilities in 1985, 1986 and 1987 (Docket Nos. RM85-19-000, RM86-12-000, RM87-35-000 and RM88-25-000). Further, I have

been the consultant to the New York Chapter of the National Association of Water Companies which represented the water utility group in the Proceeding on Motion of the Commission to Consider Financial Regulatory Policies for New York Utilities (Case 91-M-0509). Recently, I have submitted comments to the Federal Energy Regulatory Commission in its Notice of Proposed Rulemaking (Docket No. RM99-2-000) concerning Regional Transmission Organizations and on behalf of the Edison Electric Institute in its intervention in the case of Southern California Edison Company (Docket No. ER97-2355-000).

In late 1978, I arranged for the private placement of bonds on behalf of an investor-owned public utility. I have assisted in the preparation of a report to the Delaware Public Service Commission relative to the operations of the Lincoln and Ellendale Electric Company. I was also engaged by the Delaware P.S.C. to review and report on the proposed financing and disposition of certain assets of Sussex Shores Water Company (P.S.C. Docket Nos. 24-79 and 47-79). I was a co-author of a Report on Proposed Mandatory Solid Waste Collection Ordinance prepared for the Board of County Commissioners of Collier County, Florida.

I have been a consultant to the Bucks County Water and Sewer Authority concerning rates and charges for wholesale contract service with the City of Philadelphia. My municipal consulting experience also included an assignment for Baltimore County, Maryland, regarding the City/County Water Agreement for Metropolitan District customers (Circuit Court for Baltimore County in Case 34/153/87-CSP-2636).

I am a member of the Society of Utility and Regulatory Financial Analysis (formerly the National Society of Rate of Return Analysts) and have attended several Financial Forums sponsored by the Society. I attended the first National Regulatory Conference at the Marshall-Wythe School

of Law, College of William and Mary. I also attended an Executive Seminar sponsored by the Colgate Darden Graduate Business School of the University of Virginia concerning Regulated Utility Cost of Equity and the Capital Asset Pricing Model. In October 1984, I attended a Standard & Poor's Seminar on the Approach to Municipal Utility Ratings, and in May 1985, I attended an S&P Seminar on Telecommunications Ratings.

My lecture and speaking engagements include:

Date	Occasion	Sponsor
February 2000	The Sixth Annual FERC Briefing	Exnet and Bruder, Gentile & Marcoux, LLP
March 1994	Seventh Annual Proceeding	Electric Utility Business Environment Conference
May 1993	Financial School	New England Gas Assoc.
April 1993	Twenty-Fifth Financial Forum	National Society of Rate of Return Analysts
June 1992	Rate and Charges Subcommittee Annual Conference	American Water Works Association
May 1992	Rates School	New England Gas Assoc.
October 1989	Seventeenth Annual Eastern Utility Rate Seminar	Water Committee of the National Association of Regulatory Utility Commissioners Florida Public Service Service Commission and University of Utah
October 1988	Sixteenth Annual Eastern Utility Rate Seminar	Water Committee of the National Association of Regulatory Utility Commissioners, Florida Public Service Commission and University of Utah
May 1988	Twentieth Financial Forum	National Society of Rate of Return Analysts
October 1987	Fifteenth Annual Eastern Utility Rate Seminar	Water Committee of the National Association of Regulatory Utility Commissioners, Florida

		Public Service Commission and University of Utah
September 1987	Rate Committee Meeting	American Gas Association
May 1987	Pennsylvania Chapter *annual meeting*	National Association of Water Companies
October 1986	Eighteenth Financial Forum	National Society of Rate of Return
October 1984	Fifth National on Utility Ratemaking Fundamentals	American Bar Association
March 1984	Management Seminar	New York State Telephone Association
February 1983	The Cost of Capital Seminar	Temple University, School of Business Admin.
May 1982	A Seminar on Regulation and The Cost of Capital	New Mexico State University, Center for Business Research and Services
October 1979	Economics of Regulation	Brown University

RATESETTING PRINCIPLES

Under traditional cost of service regulation, an agency engaged in ratesetting, such as the Commission, serves as a substitute for competition. In setting rates, a regulatory agency must carefully consider the public's interest in reasonably priced, as well as safe and reliable, service. The level of rates must also provide an opportunity to earn a rate of return for the public utility and its investors that is commensurate with the risk to which the invested capital is exposed so that the public utility has access to the capital required to meet its service responsibilities to its customers. Without an opportunity to earn a fair rate of return, a public utility will be unable to attract sufficient capital required to meet its responsibilities over time.

It is important to remember that regulated firms must compete for capital in a global market with non-regulated firms, as well as municipal, state and federal governments. Traditionally, a public utility has been responsible for providing a particular type of service to its customers within a specific market area. Although this relationship with its customers has been changing, it remains quite different from a non-regulated firm which is free to enter and exit competitive markets in accordance with available business opportunities.

As established by the landmark Bluefield and Hope cases,[1] several tests must be satisfied to demonstrate the fairness or reasonableness of the rate of return. These tests include a determination of whether the rate of return is (i) similar to that of other financially sound businesses having similar or comparable risks, (ii) sufficient to ensure confidence in the financial integrity of the public utility, and (iii) adequate to maintain and support the credit of the utility, thereby enabling it to attract, on

1 Bluefield Water Works & Improvement Co. v. P.S.C. of West Virginia, 262 U.S. 679 (1923) and F.P.C. v. Hope Natural Gas Co., 320 U.S. 591 (1944).

a reasonable cost basis, the funds necessary to satisfy its capital requirements so that it can meet the obligation to provide adequate and reliable service to the public.

A fair rate of return must not only provide the utility with the ability to attract new capital, it must also be fair to existing investors. An appropriate rate of return which may have been reasonable at one point in time may become too high or too low at a subsequent point in time, based upon changing business risks, economic conditions and alternative investment opportunities. When applying the standards of a fair rate of return, it must be recognized that the end result must provide for the payment of interest on the company's debt, the payment of dividends on the company's stock, the recovery of costs associated with securing capital, the maintenance of reasonable credit quality for the company, and support of the company's financial condition, which today would include those measures of financial performance in the areas of interest coverage and adequate cash flow derived from a reasonable level of earnings.

EVALUATION OF RISK

The rate of return required by investors is directly linked to the perceived level of risk. The greater the risk of an investment, the higher is the required rate of return necessary to compensate for that risk all else being equal. Because investors will seek the highest rate of return available, considering the risk involved, the rate of return must at least equal the investor-required, market-determined cost of capital if public utilities are to attract the necessary investment capital on reasonable terms.

In the measurement of the cost of capital, it is necessary to assess the risk of a firm. The level of risk for a firm is often defined as the uncertainty of achieving expected performance, and is sometimes viewed as a probability distribution of possible outcomes. Hence, if the uncertainty of achieving an expected outcome is high, the risk is also high. As a consequence, high risk firms must offer investors higher returns than low risk firms which pay less to attract capital from investors. This is because the level of uncertainty, or risk of not realizing expected returns, establishes the compensation required by investors in the capital markets. Of course, the risk of a firm must also be considered in the context of its ability to actually experience adequate earnings which conform with a fair rate of return. Thus, if there is a high probability that a firm will not perform well due to fundamentally poor market conditions, investors will demand a higher return.

The investment risk of a firm is comprised of its business risk and financial risk. Business risk is all risk other than financial risk, and is sometimes defined as the staying power of the market demand for a firm's product or service and the resulting inherent uncertainty of realizing expected pre-tax returns on the firm's assets. Business risk encompasses all operating factors, e.g., productivity, competition, management ability, etc. that bear upon the expected pre-tax operating

income attributed to the fundamental nature of a firm's business. Financial risk results from a firm's use of borrowed funds (or similar sources of capital with fixed payments) in its capital structure, i.e., financial leverage. Thus, if a firm did not employ financial leverage by borrowing any capital, its investment risk would be represented by its business risk.

It is important to note that in evaluating the risk of regulated companies, financial leverage cannot be considered in the same context as it is for non-regulated companies. Financial leverage has a different meaning for regulated firms than for non-regulated companies. For regulated public utilities, the cost of service formula gives the benefits of financial leverage to consumers in the form of lower revenue requirements. For non-regulated companies, all benefits of financial leverage are retained by the common stockholder. Although retaining none of the benefits, regulated firms bear the risk of financial leverage. Therefore, a regulated firm's rate of return on common equity must recognize the greater financial risk shown by the higher leverage typically employed by public utilities.

Although no single index or group of indices can precisely quantify the relative investment risk of a firm, financial analysts use a variety of indicators to assess that risk. For example, the creditworthiness of a firm is revealed by its bond ratings. If the stock is traded, the price-earnings multiple, dividend yield, and beta coefficients (a statistical measure of a stock's relative volatility to the rest of the market) provide some gauge of overall risk. Other indicators, which are reflective of business risk, include the variability of the rate of return on equity, which is indicative of the uncertainty of actually achieving the expected earnings; operating ratios (the percentage of revenues consumed by operating expenses, depreciation, and taxes other than income tax), which are indicative of profitability; the quality of earnings, which considers the degree to which earnings are

the product of accounting principles or cost deferrals; and the level of internally generated funds. Similarly, the proportion of senior capital in a company's capitalization is the measure of financial risk which is often analyzed in the context of the equity ratio (i.e., the complement of the debt ratio).

COST OF EQUITY--GENERAL APPROACH

Through a fundamental financial analysis, the relative risk of a firm must be established prior to the determination of its cost of equity. Any rate of return recommendation which lacks such a basis will inevitably fail to provide a utility with a fair rate of return except by coincidence. With a fundamental risk analysis as a foundation, standard financial models can be employed by using informed judgment. The methods which have been employed to measure the cost of equity include: the Discounted Cash Flow ("DCF") model, the Risk Premium ("RP") approach, the Capital Asset Pricing Models ("CAPM") and the Comparable Earnings ("CE") approach.

The traditional DCF model, while useful in providing some insight into the cost of equity, is not an approach that should be used exclusively. The divergence of stock prices from company-specific fundamentals can provide a misleading cost of equity calculation. As reported in The Wall Street Journal on June 6, 1991, a statistical study published by Goldman Sachs indicated that only 35% of stock price growth in the 1980's could be attributed to earnings and interest rates. Further, 38% of the rise in stock prices during the 1980's was attributed to unknown factors. The Goldman Sachs study highlights the serious limitations of a model, such as DCF, which is founded upon identification of specific variables to explain stock price growth. That is to say, when stock price growth exceeds growth in a company's earnings per share, models such as DCF will misspecify investor expected returns which are comprised of capital gains, as well as dividend receipts. As such, a combination of methods should be used to measure the cost of equity.

The Risk Premium analysis is founded upon the prospective cost of long-term debt, i.e., the yield that the public utility must offer to raise long-term debt capital directly from investors. To that yield must be added a risk premium in recognition of the greater risk of common equity over debt.

This additional risk is, of course, attributable to the fact that the payment of interest and principal to creditors has priority over the payment of dividends and return of capital to equity investors. Hence, equity investors require a higher rate of return than the yield on long-term corporate bonds.

The CAPM is a model not unlike the traditional Risk Premium. The CAPM employs the yield on a risk-free interest-bearing obligation plus a premium as compensation for risk. Aside from the reliance on the risk-free rate of return, the CAPM gives specific quantification to systematic (or market) risk as measured by beta.

The Comparable Earnings approach measures the returns expected/experienced by other non-regulated firms and has been used extensively in rate of return analysis for over a half century. However, its popularity diminished in the 1970s and 1980s with the popularization of market based models. Recently, there has been renewed interest in this approach. Indeed, the financial community has expressed the view that the regulatory process must consider the returns which are being achieved in the non-regulated sector so that public utilities can compete effectively in the capital markets. Indeed, with additional competition being introduced throughout the traditionally regulated public utility industry, returns expected to be realized by non-regulated firms have become increasing relevant in the ratesetting process. The Comparable Earnings approach considers directly those requirements and it fits the established standards for a fair rate of return set forth in the Bluefield and Hope decisions. The Hope decision requires that a fair return for a utility must be equal to that earned by firms of comparable risk.

DISCOUNTED CASH FLOW ANALYSIS

Discounted Cash Flow ("DCF") theory seeks to explain the value of an economic or financial asset as the present value of future expected cash flows discounted at the appropriate risk-adjusted rate of return. Thus, if $100 is to be received in a single payment 10 years subsequent to the acquisition of an asset, and the appropriate risk-related interest rate is 8%, the present value of the asset would be $46.32 (Value = $100 ÷ $(1.08)^{10}$) arising from the discounted future cash flow. Conversely, knowing the present $46.32 price of an asset (where price = value), the $100 future expected cash flow to be received 10 years hence shows an 8% annual rate of return implicit in the price and future cash flows expected to be received.

In its simplest form, the DCF theory considers the number of years from which the cash flow will be derived and the annual compound interest rate which reflects the risk or uncertainty associated with the cash flows. It is appropriate to reiterate that the dollar values to be discounted are future cash flows.

DCF theory is flexible and can be used to estimate value (or price) or the annual required rate of return under a wide variety of conditions. The theory underlying the DCF methodology can be easily illustrated by utilizing the investment horizon is associated with a preferred stock not having an annual sinking fund provision. In this case, the investment horizon is infinite, which reflects the perpetuity of a preferred stock. If ***P*** represents price, ***Kp*** is the required rate of return on a preferred stock, and ***D*** is the annual dividend (***P*** and ***D*** with time subscripts), the value of a preferred share is equal to the present value of the dividends to be received in the future discounted at the appropriate risk-adjusted interest rate, ***Kp***. In this circumstance:

$$P_0 = \frac{D_1}{(1 + Kp)} + \frac{D_2}{(1 + Kp)^2} + \frac{D_3}{(1 + Kp)^3} + \ldots + \frac{D_n}{(1 + Kp)^n}$$

If $D_1 = D_2 = D_3 = \ldots D_n$, as is the case for preferred stock, and n approaches infinity, as is the case for non-callable preferred stock without a sinking fund, then this equation reduces to:

$$P_0 = \frac{D_1}{Kp}$$

This equation can be used to solve for the annual rate of return on a preferred stock when the current price and subsequent annual dividends are known. For example, with D_1 = \$1.00, and P_0 = \$10, then Kp = \$1.00 ÷ \$10, or 10%.

The dividend discount equation, first shown, is the generic DCF valuation model for all equities, both preferred and common. While preferred stock generally pays a constant dividend, permitting the simplification subsequently noted, common stock dividends are not constant. Therefore, absent some other simplifying condition, it is necessary to rely upon the generic form of the DCF. If, however, it is assumed that D_1, D_2, $D_3 \ldots D_n$ are systematically related to one another by a constant growth rate (g), so that $D_0 (1 + g) = D_1$, $D_1 (1 + g) = D_2$, $D_2 (1 + g) = D_3$ and so on approaching infinity, and if Ks (the required rate of return on a common stock) is greater than g, then the DCF equation can be reduced to:

$$P_0 = \frac{D_1}{Ks - g} \quad or \quad P_0 = \frac{D_0 (1 + g)}{Ks - g}$$

which is the periodic form of the "Gordon" model.[1] Proof of the DCF equation is found in all modern basic finance textbooks. This DCF equation can be easily solved as:

$$Ks = \frac{D_0 (1 + g)}{P_0} + g$$

which is the periodic form of the Gordon Model commonly applied in estimating equity rates of return in rate cases. When used for this purpose, ***Ks*** is the annual rate of return on common equity demanded by investors to induce them to hold a firm's common stock. Therefore, the variables D_0, P_0 and g must be estimated in the context of the market for equities, so that the rate of return, which a public utility is permitted the opportunity to earn, has meaning and reflects the investor-required cost rate.

Application of the Gordon model with market derived variables is straightforward. For example, using the most recent prior annualized dividend (D_0) of $0.80, the current price (P_0) of $10.00, and the investor expected dividend growth rate (g) of 5%, the solution of the DCF formula provides a 13.4% rate of return. The dividend yield component in this instance is 8.4%, and the capital gain component is 5%, which together represent the total 13.4% annual rate of return required by investors. The capital gain component of the total return may be calculated with two adjacent future year prices. For example, in the eleventh year of the holding period, the price per share would be $17.10 as compared with the price per share of $16.29 in the tenth year which demonstrates the 5% annual capital gain yield.

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[1] Although the popular application of the DCF model is often attributed to the work of Myron J. Gordon in the mid-1950's, J.B. Williams exposited the DCF model in its present form nearly two decades earlier.

Some DCF devotees believe that it is more appropriate to estimate the required return on equity with a model which permits the use of multiple growth rates. This may be a plausible approach to DCF, where investors expect different dividend growth rates in the near term and long run. If two growth rates, one near term and one long-run, are to be used in the context of a price (P_0) of $10.00, a dividend ($D_0$) of $0.80, a near-term growth rate of 5.5%, and a long-run expected growth rate of 5.0% beginning at year 6, the required rate of return is 13.57% solved with a computer by iteration.

Use of DCF in Ratesetting

The DCF method can provide a misleading measure of the cost of equity in the ratesetting process when stock prices diverge from book values by a meaningful margin. When the difference between share values and book values is significant, the results from the DCF can result in a misspecified cost of equity when those results are applied to book value. This is because investor expected returns, as described by the DCF model, are related to the market value of common stock. This discrepancy is shown by the following example. If it is assumed, hypothetically, that investors require a 12.5% return on their common stock investment value (i.e., the market price per share) when share values represent 150% of book value, investors would require a total annual return of $1.50 per share on a $12.00 market value to realize their expectations. If, however, this 12.5% market-determined cost rate is applied to an original cost rate base which is equivalent to the book value of common stock of $8.00 per share, the utility's actual earnings per share would be only $1.00. This would result in a $.50 per share earnings shortfall which would deny the utility the ability to satisfy investor expectations.

As a consequence, a utility could not withstand these DCF results applied in a rate case and

also sustain its financial integrity. This is because $1.00 of earnings per share and a 75% dividend payout ratio would provide earnings retention growth of just 3.125% (i.e., $1.00 x .75 = $0.75, and $1.00 - $0.75 = $0.25 ÷ $8.00 = 3.125%). In this example, the earnings retention growth rate plus the 6.25% dividend yield ($0.75 ÷ $12.00) would equal 9.375% (6.25% + 3.125%) as indicated by the DCF model. This DCF result is the same as the utility's rate of dividend payments on its book value (i.e., $0.75 ÷ $8.00 = 9.375%). This situation provides the utility with no earnings cushion for its dividend payment because the DCF result equals the dividend rate on book value (i.e., both rates are 9.375% in the example). Moreover, if the price employed in my example were higher than 150% of book value, a "negative" earnings cushion would develop and cause the need for a dividend reduction because the DCF result would be less than the dividend rate on book value. For these reasons, the usefulness of the DCF method significantly diminishes as market prices and book values diverge.

Further, there is no reason to expect that investors would necessarily value utility stocks equal to their book value. In fact, it is rare that utility stocks trade at book value. Moreover, high market-to-book ratios may be reflective of general market sentiment. Were regulators to use the results of a DCF model, that fails to produce the required return when applied to an original cost rate base, they would penalize a company with high market-to-book ratios. This clearly would penalize a regulated firm and its investors that purchased the stock at its current price. When investor expectations are not fulfilled, the market price per share will decline and a new, different equity cost rate would be indicated from the lower price per share. This condition suggests that the current price would be subject to disequilibrium and would not allow a reasonable calculation of the cost of equity. This situation would also create a serious disincentive for management initiative and

efficiency. Within that framework, a perverse set of goals and rewards would result, i.e., a high authorized rate of return in a rate case would be the reward for poor financial performance, while low rates of return would be the reward for good financial performance. As such, the DCF results should not be used alone to determine the cost of equity, but should be used along with other complementary methods.

Dividend Yield

The historical annual dividend yield for the Barometer Group is shown on Schedule 3. The 1994-1998 five-year average dividend yield was 5.0% for the Barometer Group. The monthly dividend yields for the past twelve months are shown graphically on Schedule 6. These dividend yields reflect an adjustment to the month-end closing prices to remove the pro rata accumulation of the quarterly dividend amount since the last ex-dividend date.

The ex-dividend date usually occurs three business days before the record date of the dividend (i.e., the date by which a shareholder must own the shares to be entitled to the dividend payment--usually about two to three weeks prior to the actual payment). During a quarter (here defined as 91 days), the price of a stock moves up ratably by the dividend amount as the ex-dividend date approaches. The stock's price then falls by the amount of the dividend on the ex-dividend date. Therefore, it is necessary to calculate the fraction of the quarterly dividend since the time of the last ex-dividend date and to remove that amount from the price. This adjustment reflects normal recurring pricing of stocks in the market, and establishes a price which will reflect the true yield on a stock.

A representative dividend yield based upon generally the monthly averages has been used to recognize the prospective orientation of the ratesetting process as explained in the direct

testimony. For the purpose of a DCF calculation, the average dividend yields must be adjusted to reflect the prospective nature of the dividend payments, i.e., the higher expected dividends for the future rather than the recent dividend payment annualized. An adjustment to the dividend yield component, when computed with annualized dividends, is required based upon investor expectation of quarterly dividend increases.

The procedure to adjust the average dividend yield for the expectation of a dividend increase during the initial investment period will be at a rate of one-half the growth component, developed below. The DCF equation, showing the quarterly dividend payments as D_0, may be stated in this fashion:

$$K = \frac{D_0 (1 + g)^0 + D_0 (1 + g)^0 + D_0 (1 + g)^1 + D_0 (1 + g)^1}{P_0} + g$$

The adjustment factor, based upon one-half the expected growth rate developed in my direct testimony, will be 3.500% (7.00% × .5) for the Barometer Group, which assumes that two dividend payments will be at the expected higher rate during the initial investment period. Using the representative average dividend yield as a base, the prospective (forward) dividend yield would be 5.13% (4.96% × 1.0350) for the Barometer Group.

Another DCF model that reflects the discrete growth in the quarterly dividend (D_0) is as follows:

$$K = \frac{D_0 (1 + g)^{.25} + D_0 (1 + g)^{.50} + D_0 (1 + g)^{.75} + D_0 (1 + g)^{1.00}}{P_0} + g$$

This procedure confirms the reasonableness of the forward dividend yield previously calculated. The quarterly discrete adjustment provides a dividend yield of 5.18% (4.96% × 1.04338) for the Barometer Group. The use of an adjustment is required for the periodic form of the DCF in order to properly recognize that dividends grow on a discrete basis.

In either of the preceding DCF dividend yield adjustments, there is no recognition for the compound returns attributed to the quarterly dividend payments. Investors have the opportunity to reinvest quarterly dividend receipts. Recognizing the compounding of the periodic quarterly dividend payments (D_0), results in a third DCF formulation:

$$k = \left[\left(1 + \frac{D_0}{P_0}\right)^4 - 1\right] + g$$

This DCF equation provides no further recognition of growth in the quarterly dividend. Combining discrete quarterly dividend growth with quarterly compounding would provide the following DCF formulation, stating the quarterly dividend payments (D_0):

$$k = \left[\left(1 + \frac{D_0\,(1 + g)^{.25}}{P_0}\right)^4 - 1\right] + g$$

A compounding of the quarterly dividend yield provides another procedure to recognize the necessity for an adjusted dividend yield. The unadjusted average quarterly dividend yield was 1.2400% (4.96% ÷ 4) for both the Barometer Group. The compound dividend yield would be

5.14% (1.01261^4-1) for the Barometer Group, recognizing quarterly dividend payments in a forward-looking manner. These dividend yields conform with investors' expectations in the context of reinvestment of their cash dividend.

For the Barometer Group, a 5.15% forward-looking dividend yield is the average (5.13% + 5.18% + 5.14% = 15.45% ÷ 3) of the adjusted dividend yield using the form $D_0/P_0\ (1+.5g)$, the dividend yield recognizing discrete quarterly growth, and the quarterly compound dividend yield with discrete quarterly growth.

Growth Rate

If viewed in its infinite form, the DCF model is represented by the discounted value of an endless stream of growing dividends. It would, however, require 100 years of future dividend payments so that the discounted value of those payments would equate to the present price so that the discount rate and the rate of return shown by the simplified Gordon form of the DCF model would be about the same. A century of dividend receipts represents an unrealistic investment horizon from almost any perspective. Because stocks are not held by investors forever, the growth in the share value (i.e., capital appreciation, or capital gains yield) is most relevant to investors' total return expectations. Hence, investor expected returns in the equity market are provided by capital appreciation of the investment as well as receipt of dividends. As such, the sale price of a stock can be viewed as a liquidating dividend which can be discounted along with the annual dividend receipts during the investment holding period to arrive at the investor expected return.

In its constant growth form, the DCF assumes that with a constant return on book common equity and constant dividend payout ratio, a firm's earnings per share, dividends per share and book value per share will grow at the same constant rate, absent any external financing by a firm.

Because these constant growth assumptions do not actually prevail in the capital markets, the capital appreciation potential of an equity investment is best measured by the expected growth in earnings per share. Since the traditional form of the DCF assumes no change in the price-earnings multiple, the value of a firm's equity will grow at the same rate as earnings per share. Hence, the capital gains yield is best measured by earnings per share growth using company-specific variables.

Investors consider both historical and projected data in the context of the expected growth rate for a firm. An investor can compute historical growth rates using compound growth rates or growth rate trend lines. Otherwise, an investor can rely upon published growth rates as provided in widely-circulated, influential publications. However, a traditional constant growth DCF analysis that is limited to such inputs suffers from the assumption of no change in the price-earnings multiple, i.e., that the value of a firm's equity will grow at the same rate as earnings. Some of the factors which actually contribute to investors' expectations of earnings growth and which should be considered in assessing those expectations, are: (i) the earnings rate on existing equity, (ii) the portion of earnings not paid out in dividends, (iii) sales of additional common equity, (iv) reacquisition of common stock previously issued, (v) changes in financial leverage, (vi) acquisitions of new business opportunities, (vii) profitable liquidation of assets, and (viii) repositioning of existing assets. The realities of the equity market regarding total return expectations, however, also reflect factors other than these inputs. Therefore, the DCF model contains overly restrictive limitations when the growth component is stated in terms of earnings per share (the basis for the capital gains yield) or dividends per share (the basis for the infinite dividend discount model). In these situations, there is inadequate recognition of the capital gains yields arising from stock price growth which could exceed earnings or dividends growth.

To assess the growth component of the DCF, analysts' projections of future growth influence investor expectations as explained above. One influential publication is The Value Line Investment Survey which contains estimated future projections of growth. The Value Line Investment Survey provides growth estimates which are stated within a common economic environment for the purpose of measuring relative growth potential. The basis for these projections is the Value Line 3 to 5 year hypothetical economy. The Value Line hypothetical economic environment is represented by components and subcomponents of the National Income Accounts which reflect in the aggregate assumptions concerning the unemployment rate, manpower productivity, price inflation, corporate income tax rate, high-grade corporate bond interest rates, and Fed policies. Individual estimates begin with the correlation of sales, earnings and dividends of a company to appropriate components or subcomponents of the future National Income Accounts. These calculations provide a consistent basis for the published forecasts. Value Line's evaluation of a specific company's future prospects are considered in the context of specific operating characteristics that influence the published projections. Of particular importance for regulated firms, Value Line considers the regulatory quality, rates of return recently authorized, the historic ability of the firm to actually experience the authorized rates of return, the firm's budgeted capital spending, the firm's financing forecast, and the dividend payout ratio. The wide circulation of this source and frequent reference to Value Line in financial circles indicate that this publication has an influence on investor judgment with regard to expectations for the future.

There are other sources of earnings growth forecasts. One of these sources is the Institutional Brokers Estimate System ("I/B/E/S"). The I/B/E/S service provides data on consensus earnings per share forecasts and five-year earnings growth rate estimates. The earnings estimates

are obtained from financial analysts at brokerage research departments and from institutions whose securities analysts are projecting earnings for companies in the I/B/E/S universe of companies. The I/B/E/S forecasts provide the basis for the earnings estimates published in the S&P Earnings Guide which covers 3000 publicly traded stocks. Another service that tabulates earnings forecasts and publishes consensus forecasts in Zacks Investment Research. As with the I/B/E/S forecasts, Zacks provides consensus forecasts collected from analysts for over 6000 publically traded companies.

In each of these publications, forecasts of earnings per share for the current and subsequent year receive prominent coverage. That is to say, I/B/E/S, Zacks, and Value Line show estimates of current-year earnings and projections for the next year. While the DCF model typically focusses upon long-run estimates of growth, stock prices are clearly influenced by current and near-term earnings prospects. Therefore, the near-term earnings per share growth rates should also be factored into a growth rate determination.

Although forecasts of future performance are investor influencing[2], equity investors may also rely upon the observations of past performance. Investors' expectations of future growth rates may be determined, in part, by an analysis of historical growth rates. It is apparent that any serious investor would advise himself/herself of historical performance prior to taking an investment position in a firm. Earnings per share and dividends per share represent the principal financial variables which influence investor growth expectations.

Other financial variables are sometimes considered in rate case proceedings. For example, a company's internal growth rate, derived from the return rate on book common equity and the

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[2] As shown in a National Bureau of Economic Research monograph by John G. Cragg and Burton G. Malkiel, Expectations and the Structure of Share Prices, University of Chicago Press 1982.

related retention ratio, is sometimes considered. This growth rate measure is represented by the Value Line forecast "***B*×*R***" shown on Schedule 8 . Page 2 of Schedule 7 provides historical values of internal growth. Internal growth rates are often used as a proxy for book value growth. Unfortunately, this measure of growth is often not reflective of investor-expected growth. This is especially important when there is an indication of a prospective change in dividend payout ratio, earned return on book common equity, change in market-to-book ratios or other fundamental changes in the character of the business. Nevertheless, I have also shown the historical and projected growth rates in book value per share and internal growth rates.

FLOTATION COST ADJUSTMENT

The rate of return on common equity must be high enough to avoid dilution when additional common equity is issued. In this regard, the rate of return on book common equity for a public utility requires recognition of specific factors other than just the market-determined cost of equity. A market price of common stock above book value is necessary to attract future capital on reasonable terms in competition with other seekers of equity capital. Non-regulated companies traditionally have experienced common stock prices consistently above book value. For public utilities to be competitive in the capital markets, similar recognition should be provided, given the understated value of a public utility's net investment which is represented by historical costs much lower than current cost. Moreover, the market value of a public utility stock must be above book value to provide recognition of market pressure, issuance and selling expenses which reduce the net proceeds realized from the sale of new shares of common stock. A market price of stock above book value will maintain the financial integrity of shares previously issued and is necessary to avoid dilution when new shares are offered.

The rate of return on common equity should provide for the underwriting discount and company issuance expense when new common stock is sold. It is the net proceeds, after payment of these costs, that are available to the company, because the issuance costs are paid from the initial offering price to the public. Market pressure occurs when the news of an impending issue of new common shares impacts the pre-offering price of stock. The stock price often declines because of the prospect of an increase in the supply of shares. The difficulty encountered in measuring market pressure relates to the time frame considered, general market conditions, and management action during the offering period. An indication of negative market pressure could be the product of the

techniques employed to measure pressure and not the prospect of an additional supply of shares related to the new issue.

Even in the situation where a company will not issue common stock during the near term, the flotation cost adjustment factor should be applied to the common equity cost rate. A public utility must be in a competitive capital attraction posture at all times. To deny recognition of a market value of equity above book value would be unduly discriminatory when other comparable companies receive an allowance in this regard. Moreover, to reduce the return rate on common equity by failing to recognize this factor would likewise result in a company being less competitive in the bond market, because a lower resulting overall rate of return would provide less competitive fixed-charge coverage. It cannot be said that a public utility's stock price already considers an allowance for flotation costs. This is because investors in either fixed-income bonds or common stocks seek their required rate of return by reference to alternative investment opportunities, and are not concerned with the issuance costs incurred by a firm borrowing long-term debt or issuing common equity.

Historical data concerning issuance and selling expenses (excluding market pressure) is shown on Schedule 9. To adjust for the cost of raising new common equity capital, the rate of return on common equity should recognize an appropriate multiple in order to allow for a market price of stock above book value. This would provide recognition for flotation costs, which are shown to be 4.7% for all public offerings of common stocks by natural gas companies from 1994 to 1998. For the smaller issues of common stock, the flotation costs represented 5.8% of the offering price, while the large issues had 4.0% of the offering price represented by issuance costs. Because these costs are not recovered elsewhere in the revenue requirements, they must be

recognized in the rate of return. Since I apply the flotation cost to the entire cost of equity, I have only used a modification factor of 1.025 which is applied to the unadjusted DCF-measure of the cost of equity to cover issuance expense. If the modification factor were applied to only a portion of the cost of equity, such as just the dividend yield, then a higher 1.05 factor would be necessary.

INTEREST RATES

Interest rates can be viewed in their traditional nominal terms (i.e., the stated rate of interest) and in real terms (i.e., the stated rate of interest less the expected rate of inflation). Absent consideration of inflation, the real rate of interest is determined generally by supply factors which are influenced by investors willingness to forego current consumption (i.e., to save) and demand factors that are influenced by the opportunities to derive income from productive investments. In addition to the real rate of interest, compensation is required by investors for the inflationary impact of the declining purchasing power of their income received in the future. Although interest rates are clearly influenced by the changing annual rate of inflation, it is important to note that the expected rate of inflation, that is reflected in current interest rates, may be quite different than the prevailing rate of inflation.

Rates of interest also vary by the type of interest bearing instrument. Investors require compensation for the risk associated with the term of the investment and the risk of default. The risk associated with the term of the investment is usually shown by the yield curve, i.e., the difference in rates across maturities. The typical structure is represented by a positive yield curve which provides progressively higher interest rates as the maturities are lengthened. Flat (i.e., relatively level rates across maturities) or inverted (i.e., higher short-term rates than long-term rates) yield curves occur less frequently.

The risk of default is typically associated with the creditworthiness of the borrower. Differences in this regard can be traced to the credit quality ratings assigned by the bond rating agencies, such as Moody's Investors Service, Inc. and Standard & Poor's Corporation. Obligations of the United States Treasury are usually considered to be free of default risk, and hence reflect only

the real rate of interest, compensation for expected inflation, and maturity risk. During the past few years, the Treasury has issued inflation indexed notes which automatically compensate investors for future inflation, thereby providing a lower current yield on these issues.

Interest Rate Environment

Federal Reserve Board ("Fed") policy actions which impact directly short-term interest rates also substantially affect investor sentiment in long-term fixed-income securities markets. In this regard, the Fed has often pursued policies designed to build investor confidence in the fixed-income securities market. Formative Fed policy has had a long history, as exemplified by the historic 1951 Treasury-Federal Reserve Accord, and more recently, deregulation within the financial system which increased the level and volatility of interest rates. The Fed has indicated that it will follow a monetary policy designed to promote noninflationary economic growth.

As background to the recent levels of interest rates, history shows that the Fed began a series of moves toward lower short-term interest rates in mid-1990 -- at the outset of the last recession. Monetary policy was influenced at that time by (i) steps taken to reduce the federal budget deficit, (ii) slowing economic growth, (iii) rising unemployment, and (iv) measures intended to avoid a credit crunch. Thereafter, the Federal government initiated several bold proposals to deal with future borrowings by the Treasury. With lower expected federal budget deficits and reduced Treasury borrowings, together with limitations on the supply of new 30-year Treasury bonds, long-term interest rates declined to a twenty-year low, reaching a trough of 5.78% in October 1993.

On February 4, 1994, the Fed began a series of increases in the Fed Funds rate (i.e., the interest rate on excess overnight bank reserves). The initial increase represented the first rise in short-term interest rates in five years. In a series of seven increases, the Fed Funds rate increased

from 3% to 6%. The increases in short-term interest rates also caused long-term rates to move up, continuing a trend which began in the fourth quarter of 1993. The cyclical peak in long-term interest rates was reached on November 7 and 14, 1994 when 30-year Treasury bonds attained an 8.16% yield. Thereafter, long-term Treasury bond yields generally declined reaching a low of 5.96% achieved on January 3, 1996.

Beginning in mid-February 1996, long-term interest rates moved upward from their previous lows. After initially reaching a level of 6.75% on March 15, 1996, long-term interest rates continued to climb and reached a peak of 7.19% on July 5 and 8, 1996. For the period leading up to the 1996 Presidential election, long-term Treasury bonds generally traded within this range. After the election, interest rates moderated, returning to a level somewhat below the previous trading range. Thereafter, in December 1996, interest rates returned to a range of 6.5% to 7.0% which existed for much of 1996.

On March 25, 1997, the Fed decided to tighten monetary conditions through a one-quarter percentage point increase in the Fed Funds rate. This tightening increased the Fed Funds rate to 5.5%, although the discount rate was not changed and remained at 5%. In making this move, the Fed stated that it was concerned by persistent strength of demand in the economy, which it feared would increase the risk of inflationary imbalances that could eventually interfere with the long economic expansion.

In the fourth quarter of 1997, the yields on Treasury bonds began to decline rapidly in response to an increase in demand for Treasury securities caused by a flight to safety triggered by the currency and stock market crisis in Asia. Liquidity provided by the Treasury market makes these bonds an attractive investment in times of crisis. This is because Treasury securities

encompass a very large market which provides ease of trading and carry a premium for safety. During the fourth quarter of 1997, Treasury bond yields pierced the psychologically important 6% level for the first time since 1993.

Through the first half of 1998, the yields on long-term Treasury bonds fluctuated within a range of about 5.6% to 6.1% reflecting their attractiveness and safety. In the third quarter of 1998, there was further deterioration of investor confidence in global financial markets. This loss of confidence followed the moratorium (i.e., default) by Russia on its sovereign debt and fears associated with problems in Latin America. While not significant to the global economy in the aggregate, the August 17 default by Russia had a significant negative impact on investor confidence, following earlier discontent surrounding the crisis in Asia. These events subsequently led to a general pull back of risk-taking as displayed by banks growing reluctance to lend, worries of an expanding credit crunch, lower stock prices, and higher yields on bonds of riskier companies. These events contributed to the failure of the hedge fund, Long-Term Capital Management.

In response to these events, the Fed cut the Fed Funds rate just prior to the mid-term Congressional elections. The Fed's action was based upon concerns over how increasing weakness in foreign economies would affect the U.S. economy. As recently as July 1998, the Fed had been more concerned about fighting inflation than the state of the economy. The initial rate cut was the first of three reductions by the Fed. Thereafter, the yield on long-term Treasury bonds reached a 30-year low of 4.70% on October 5, 1998. Long-term Treasury yields below 5% have not been seen since 1967. Unlike the first rate cut that was widely anticipated, the second rate reduction by the Fed was a surprise to the markets. A third reduction in short-term interest rates occurred in November 1998 when the Fed reduced the discount rate to 4.5% and the Fed Funds rate to 4.75%.

All of these events prompted an increase in the prices for Treasury bonds which lead to the low yields described above. Another factor that contributed to the decline in yields on long-term Treasury bonds, was a reduction in the supply of new Treasury issues coming to market due to the Federal budget surplus -- the first in nearly 30 years. The dollar amount of Treasury bonds being issued declined by 30% in past two years thus resulting in higher prices and lower yields. In addition, rumors of some struggling hedge-funds unwinding their positions further added to the gains in Treasury bond prices.

The financial crisis that spread from Asia to Russia and to Latin America pushed nervous investors from stocks into Treasury bonds, thus increasing demand for bonds, just when supply was slowing. There was also a move from corporate bonds to Treasury bonds to take advantage of appreciation in the Treasury market. This resulted in a certain amount of exuberance for Treasury bond investments that formerly was reserved for the stock market. Moreover, yields in the fourth quarter of 1998 became extremely volatile as shown by Treasury yields that fell from 5.10% on September 29 to 4.70 percent on October 5, and thereafter returned to 5.10% on October 13. A decline and rebound of 40 basis points in Treasury yields in a two week time frame is remarkable.

In 1999 and continuing to the present, the Fed raised interest rates on five occasions reversing its actions in the fall of 1998. On June 30, 1999, August 24, 1999, November 16, 1999, February 2, 2000, and March 21, 2000, the Fed raised the Fed Funds rate in five 25 basis points increments lifting the rate to 6.00%. This rise in yields reflected a shift in concerns from the threat of a global financial collapse that existed during the second half of 1998, to new concerns that improvement in the emerging market economies and persistent strength in the U.S. economy could push inflation higher. Also, on August 24, 1999, November 16, 1999, February 2, 2000, and March

21, 2000, the Fed increased the discount rate in 25 basis point increments to 5.50%. These actions were taken in response to more normally functioning financial markets, tight labor markets, and a reversal of the monetary ease that was required earlier in response to the global financial market turmoil. In taking its action on February 2, 2000, the Fed's Open Market Committee stated:

> "The Committee remains concerned that over time increases in demand will continue to exceed the growth in potential supply, even after taking account of the pronounced rise in productivity growth. Such trends could foster inflationary imbalances that would undermine the economy's record economic expansion.
>
> Against the background of its long-run goals of price stability and sustainable economic growth and of the information currently available, the Committee believes the risks are weighted mainly toward conditions that may generate heightened inflation pressures in the foreseeable future."

In effect, the Fed Funds rate of 6.00% is now at its highest level since 1995. In addition, the Fed Funds rate is now 125 basis points higher than its low that occurred at the height of the Asian currency and stock market crisis.

Public Utility Bond Yields

The Risk Premium analysis of the cost of equity is represented by the combination of a firm's borrowing rate for long-term debt capital plus a premium that is required to reflect the additional risk associated with the equity of a firm as explained in Appendix H. Due to the senior nature of the long-term debt of a firm, its cost is lower than the cost of equity due to the prior claim which lenders have on the earnings and assets of a corporation.

As a generalization, all interest rates track to varying degrees of the benchmark yields established by the market for Treasury securities. Public utility bond yields usually reflect the underlying Treasury yield associated with a given maturity plus a spread to reflect the specific credit

quality of the issuing public utility. Market sentiment can also have an influence on the spreads as described below. The spread in the yields on public utility bonds and Treasury bonds varies with market conditions, as does the relative level of interest rates at varying maturities shown by the yield curve.

Pages 1 and 2 of Schedule 10 provide the recent history of long-term (i.e., maturities as close as possible to 30 years) public utility bond yields for each of the "investment grades" (i.e., Aaa, Aa, A and Baa). The top four rating categories shown on Schedule 10 are generally regarded as eligible for bank investments under commercial banking regulations. These investment grades are distinguished from "junk" bonds which have ratings of Ba and below.

A relatively long history of the spread between the yields on long-term A rated public utility bonds and long-term Treasury bonds is shown on page 3 of Schedule 10. There, it is shown that the spread in these yields declined after the 1987 stock market crash. Those spreads stabilized at about the one percentage point level for the years 1992 through 1997. With the aversion to risk and flight to quality described earlier, a significant widening of the spread in the yields between corporate (e.g., public utility) and Treasury bonds developed in 1998, after an initial widening of the spread that began in the fourth quarter of 1997. The significant widening of spreads in 1998 was unexpected by some technically savvy investors, as shown by the debacle at the Long-Term Capital Management hedge fund. When Russia defaulted its debt on August 17, some investors had to cover short positions when Treasury prices spiked upward. Short-covering by investors that guessed wrong on the relationship between corporate and Treasury bonds also contributed to run-up in Treasury bond prices by increasing the demand for them. This helped to contribute to a widening of the spreads between corporate and Treasury bonds.

As indicated by the dynamics described earlier, there has been a disconnection from the previous relationship between the yields on corporate debt and Treasury bonds. As shown on page 3 of Schedule 10, the spread in yields between A rated public utility bonds and 30-year Treasury bonds widened from about one percentage point prior to 1998 to about one and three-quarters percentage points in the year 1999. In essence, the cost of corporate debt and equity has disconnected from the yields on long-term Treasury bonds due to a general aversion to risk, the unusual shape of the Treasury yield curve, and the shrinking supply of long-term Treasury bonds. During the four quarters ended December 1999, the average of the daily yields for A rated public utility bonds was 7.63% and the median was 7.72%. The overall range of yields was 6.92% to 8.28% which provided a midpoint yield of 7.60%. The distribution of the yields was: 6% of the daily yields were less than 7.00% , 31% of the daily yields were 7.00% to 7.49%, 46% of the daily yields were 7.50% to 7.99%, and 17% of the daily yields were 8.00% and above.

Risk-Free Rate of Return in the CAPM

Regarding the risk-free rate of return (see Appendix H), pages 2 and 3 of Schedule 12 provides the yields on the broad spectrum of Treasury Notes and Bonds. Some practitioners of the CAPM would advocate the use of short-term treasury yields (and some would argue for the yields on 91-day Treasury Bills). Other advocates of the CAPM would advocate the use of longer-term treasury yields as the best measure of a risk-free rate of return. As Ibbotson has indicated:

> The Cost of Capital in a Regulatory Environment. When discounting cash flows projected over a long period, it is necessary to discount them by a long-term cost of capital. Additionally, regulatory processes for setting rates often specify or suggest that the desired rate of return for a regulated firm is that which would allow the firm to attract and retain debt and equity capital over the long term. Thus, the long-term cost of capital is typically the appropriate cost of capital to use in regulated ratesetting. (Stocks, Bonds, Bills and Inflation - 1992 Yearbook, pages

118-119)

As indicated above, 30-year Treasury Bond yields represent the correct measure of the risk-free rate of return in the traditional CAPM. Very short term yields on Treasury bills should be avoided for several reasons. First, rates should be set on the basis of financial conditions that will exist during the effective period of the proposed rates. Second, 91-day Treasury Bill yields are more volatile than longer-term yields and are greatly influenced by Fed monetary policy, political, and economic situations. Moreover, Treasury Bill yields have been shown to be empirically inadequate for the CAPM. Some advocates of the theory would argue that the risk-free rate of return in the CAPM should be derived from quality long-term corporate bonds.

During the four quarters ended December 1999, the yield on 30-year Treasury bonds was shown by the following measures of central tendency: 5.87% as the average, 5.98% as the median, and 5.78% as the midpoint of the highest (6.48%) and lowest (5.07%) daily yields. The associated distribution of the yields was: 16% of the daily yields were 5.00% to 5.49%, 35% of the daily yields were 5.50% to 5.99%, and 49% of the daily yields were 6.00% and above.

RISK PREMIUM ANALYSIS

The cost of equity requires recognition of the risk premium required by common equities over long-term corporate bond yields. In the case of senior capital, a company contracts for the use of long-term debt capital at a stated coupon rate for a specific period of time and in the case of preferred stock capital at a stated dividend rate, usually with provision for redemption through sinking fund requirements. In the case of senior capital, the cost rate is known with a high degree of certainty because the payment for use of this capital is a contractual obligation, and the future schedule of payments is known. In essence, the investor-expected cost of senior capital is equal to the realized return over the entire term of the issue, absent default.

The cost of equity, on the other hand, is not fixed, but rather varies with investor perception of the risk associated with the common stock. Because no precise measurement exists as to the cost of equity, informed judgment must be exercised through a study of various market factors which motivate investors to purchase common stock. In the case of common equity, the realized return rate may vary significantly from the expected cost rate due to the uncertainty associated with earnings on common equity. This uncertainty highlights the added risk of a common equity investment.

As one would expect from traditional risk and return relationships, the cost of equity is affected by expected interest rates. As noted in Appendix G, yields on long-term corporate bonds traditionally consist of a real rate of return without regard to inflation, an increment to reflect investor perception of expected future inflation, the investment horizon shown by the term of the issue until maturity, and the credit risk associated with each rating category.

The Risk Premium approach recognizes the required compensation for the more risky

common equity over the less risky secured debt position of a lender. The cost of equity stated in terms of the familiar risk premium approach is:

$$k = i + RP$$

where, the cost of equity *("k")* is equal to the interest rate on long-term corporate debt *("i")*, plus an equity risk premium *("RP")* which represents the additional compensation for the riskier common equity.

Equity Risk Premium

The equity risk premium is determined as the difference in the rate of return on debt capital and the rate of return on common equity. Because the common equity holder has only a residual claim on earnings and assets, there is no assurance that achieved returns on common equities will equal expected returns. This is quite different from returns on bonds, where the investor realizes the expected return during the entire holding period, absent default. It is for this reason that common equities are always more risky than senior debt securities. There are investment strategies available to bond portfolio managers that immunize bond returns against fluctuations in interest rates because bonds are redeemed through sinking funds or at maturity, whereas no such redemption is mandated for public utility common equities.

It is well recognized that the expected return on more risky investments will exceed the required yield on less risky investments. Neither the possibility of default on a bond nor the maturity risk detract from the risk analysis, because the common equity risk rate differential (i.e., the investor-required risk premium) is always greater than the return components on a bond. It should

also be noted that the investment horizon is typically long-run for both corporate debt and equity, and that the risk of default (i.e., corporate bankruptcy) is a concern to both debt and equity investors. Thus, the required yield on a bond provides a benchmark or starting point with which to track and measure the cost rate of common equity capital. There is no need to segment the bond yield according to its components, because it is the total return demanded by investors that is important for determining the risk rate differential for common equity. This is because the complete bond yield provides the basis to determine the differential, and as such, consistency requires that the computed differential must be applied to the complete bond yield when applying the risk premium approach. To apply the risk rate differential to a partial bond yield would result in a misspecification of the cost of equity because the computed differential was initially determined by reference to the entire bond return.

The risk rate differential between the cost of equity and the yield on long-term corporate bonds can be determined by reference to a comparison of holding period returns (here defined as one year) computed over long time spans. This analysis assumes that over long periods of time investors' expectations are on average consistent with rates of return actually achieved. Accordingly, historical holding period returns must not be analyzed over an unduly short period because near-term realized results may not have fulfilled investors' expectations. Moreover, specific past period results may not be representative of investment fundamentals expected for the future. This is especially apparent when the holding period returns include negative returns which are not representative of either investor requirements of the past or investor expectations for the future. The short-run phenomenon of unexpected returns (either positive or negative) demonstrates that an unduly short historical period would not adequately support a risk premium analysis. It is

important to distinguish between investors' motivation to invest, which encompass positive return expectations, and the knowledge that losses can occur. No rational investor would forego payment for the use of capital, or expect loss of principal, as a basis for investing. Investors will hold cash rather than invest with the expectation of a loss.

Within these constraints, page 1 of Schedule 11 provides the historical holding period returns for the S&P Public Utility Index which has been independently computed and the historical holding period returns for the S&P Composite Index which have been reported in Stocks, Bonds, Bills and Inflation published by Ibbotson & Associates. The tabulation begins with 1928 because January 1928 is the earliest monthly dividend yield for the S&P Public Utility Index. I have considered all reliable data for this study to avoid the introduction of a particular bias to the results. The measurement of the common equity return rate differential is based upon actual capital market performance using realized results. As a consequence, the underlying data for this risk premium approach can be analyzed with a high degree of precision. Informed professional judgment is required only to interpret the results of this study, but not to quantify the component variables.

The risk rate differentials for all equities, as measured by the S&P Composite, are established by reference to long-term corporate bonds. For public utilities, the risk rate differentials are computed with the S&P Public Utilities as compared with public utility bonds.

The measurement procedure used to identify the risk rate differentials consisted of arithmetic means, geometric means, and medians for each series. Measures of central tendency of the results from the historical periods provide the best indication of representative rates of return. In regulated ratesetting, the correct measure of the equity risk premium is the arithmetic mean because a utility must expect to earn its cost of capital in each year in order to provide investors with their long-term

expectations. In other contexts, such as pension determinations, compound rates of return, as shown by the geometric means, may be appropriate. The median returns are also appropriate in ratesetting because they are a measure of the central tendency of a single period rate of return. Median values have also been considered in this analysis because they provide a return which divides the entire series of annual returns in half and are representative of a return that symbolizes, in a meaningful way, the central tendency of all annual returns contained within the analysis period. Medians are regularly included in many investor-influencing publications.

As previously noted, the arithmetic mean provides the appropriate point estimate of the risk premium. As further explained in Appendix I, the long-term cost of capital in rate cases requires the use of the arithmetic means. To supplement my analysis, I have also used the rates of return taken from the geometric mean and median for each series to provide the bounds of the range to measure the risk rate differentials. This further analysis shows that when selecting the midpoint from a range established with the geometric means and medians, the arithmetic mean is indeed a reasonable measure for the long-term cost of capital. For the years 1928 through 1999, the risk premiums for each class of equity are:

	S&P Composite	S&P Public Utilities
Arithmetic Mean	7.07%	5.28%
Geometric Mean	5.46%	3.44%
Median	12.90%	6.90%
Midpoint of Range	9.18%	5.17%
Average	8.13%	5.23%

The empirical evidence suggests that the common equity risk premium is higher for the S&P

Composite Index compared to the S&P Public Utilities.

If, however, specific historical periods were also analyzed in order to match more closely historical fundamentals with current expectations, the results provided on page 2 of Schedule 11 should also be considered. One of these sub-periods included the 48-year period, 1952-1999. These years follow the historic 1951 Treasury-Federal Reserve Accord which affected monetary policy and the market for government securities.

A further investigation was undertaken to determine whether a realignment has taken place subsequent to the historic 1973 Arab Oil embargo and during the deregulation of the financial markets. In each case, the public utility risk premiums were computed by using the arithmetic mean, and the geometric means and medians to establish the range shown by those values. The time periods covering the more recent periods 1974 through 1999 and 1979 through 1999 contain events subsequent to the initial oil shock and the advent of monetarism as Fed policy, respectively. For the 48-year, 26-year and 21-year periods, the public utility risk premiums were 6.08%, 5.23%, and 5.31% respectively, as shown by the average of the specific point-estimates and the midpoint of the ranges provided on page 2 of Schedule 11.

CAPITAL ASSET PRICING MODEL

Modern portfolio theory provides a theoretical explanation of expected returns on portfolios of securities. The Capital Asset Pricing Model ("CAPM") attempts to describe the way prices of individual securities are determined in efficient markets where information is freely available and is reflected instantaneously in security prices. The CAPM states that the expected rate of return on a security is determined by a risk-free rate of return plus a risk premium which is proportional to the non-diversifiable (or systematic) risk of a security.

The CAPM theory has several unique assumptions that are not common to most other methods used to measure the cost of equity. As with other market-based approaches, the CAPM is an expectational concept. There has been significant academic research conducted that found that the empirical market line, based upon historical data, has a less steep slope and higher intercept than the theoretical market line of the CAPM. For equities with a beta less than 1.0, such as utility common stocks, the CAPM theoretical market line will underestimate the realistic expectation of investors in comparison with the empirical market line which shows that the CAPM may potentially misspecify investors' required return.

The CAPM considers changing market fundamentals in a portfolio context. The balance of the investment risk, or that characterized as unsystematic, must be diversified. Some argue that diversifiable (unsystematic) risk is unimportant to investors. But this contention is not completely justified because the business and financial risk of an individual company, including regulatory risk, are widely discussed within the investment community and therefore influence investors in regulated firms. In addition, I note that the CAPM assumes that through portfolio diversification, investors will minimize the effect of the unsystematic (diversifiable) component of investment risk. Because

it is not known whether the average investor holds a well diversified portfolio, the CAPM must also be used with other models of the cost of equity.

To apply the traditional CAPM theory, three inputs are required: the beta coefficient *("β")*, a risk-free rate of return *("Rf")*, and a market premium *("Rm - Rf")*. The cost of equity stated in terms of the CAPM is:

$$k = Rf + \beta\ (Rm - Rf)$$

As previously indicated, it is important to recognize that the academic research has shown that the security market line was flatter than that predicted by the CAPM theory and it had a higher intercept than the risk-free rate. These tests indicated that for portfolios with betas less than 1.0, the traditional CAPM will understate the return for such stocks. Likewise, for portfolios with betas above 1.0, these companies had lower returns than indicated by the traditional CAPM theory. Once again, CAPM assumes that through portfolio diversification investors will minimize the effect of the unsystematic (diversifiable) component of investment risk. Therefore, the CAPM must also be used with other models of the cost of equity, especially when it is not known whether the average public utility investor holds a well diversified portfolio.

Beta

The beta coefficient is a statistical measure which attempts to identify the non-diversifiable (systematic) risk of an individual security and measures the sensitivity of rates of return on a particular security with general market movements. Under the CAPM theory, a security that has a beta of 1.0 should theoretically provide a rate of return equal to the return rate provided by the market. When employing stock price changes in the derivation of beta, a stock with a beta of 1.0 should exhibit a movement in price which would track the movements in the overall market prices

of stocks. Hence, if a particular investment has a beta of 1.0, a one percent increase in the return on the market will result, on average, in a one percent increase in the return on the particular investment. An investment which has a beta less than 1.0 is considered to be less risky than the market.

The beta coefficient *("β")*, the one input in the CAPM application which specifically applies to an individual firm, is derived from a statistical application which regresses the returns on an individual security (dependent variable) with the returns on the market as a whole (independent variable). The beta coefficients for utility companies typically describe a small proportion of the total investment risk because the coefficients of determination (R^2) are low.

Page 1 of Schedule 12 provides the adjusted betas published by Merrill Lynch and Value Line. By way of explanation, the Merrill Lynch beta coefficient is derived from a "straight regression" based upon the percentage change in the monthly price of common stock and the percentage change monthly of the S&P 500 Index using a five-year period. The raw historical beta is adjusted by Merrill Lynch for the measurement effect resulting in overestimates in high beta stocks and underestimates in low beta stocks. Value Line uses a similar approach and adjustment procedure to calculate its betas. The primary difference in the Value Line approach involves the use of rounding, weekly prices, and the New York Stock Exchange Composite Average in place of the S&P 500 Composite Index. Neither Merrill Lynch or Value Line considers dividends in the computation of their betas.

Market Premium

The final element necessary to apply the CAPM is the market premium. The market premium by definition is the rate of return on the total market less the risk-free rate of return *("**Rm** -*

Rf"). In this regard, the market premium in the CAPM has been calculated from the total return on the market of equities using forecast and historical data. The future market return is established with forecasts by Value Line using estimated dividend yields and capital appreciation potential.

With regard to the forecast data, I have relied upon the Value Line forecasts of capital appreciation and the dividend yield on the 1,700 stocks in the Value Line Survey. According to the March 10, 2000, edition of The Value Line Investment Survey Summary and Index, (see page 5 of Schedule 12) the total return on the universe of Value Line equities is:

	Dividend Yield	+	Median Appreciation Potential	=	Median Total Return
As of March 10, 2000	2.4%	+	18.17%[1]	=	20.57%

The tabulation shown above provides the dividend yield and capital gains yield of the companies followed by Value Line. With the 20.57% forecast market return and the 6.25% risk-free rate of return, a 14.32% (20.57% - 6.25%) market premium would be indicated using forecast market data.

With regard to the historical data, I provided the rates of return from long-term historical time periods that have been widely circulated among the investment and academic community over the past several years, as shown on page 6 of Schedule 12. These data are published by Ibbotson Associates in its Stocks, Bonds, Bills and Inflation ("SBBI"). From the data provided on page 6 of Schedule 12, I calculate a market premium using the common stock arithmetic mean returns of 13.3% less government bond arithmetic mean returns of 5.5%. For the period 1926-1999, the

[1] The estimated median appreciation potential is forecast to be 95% for 3 to 5 years hence. The annual capital gains yield at the midpoint of the forecast period is 18.17% (i.e., $1.95^{.25}$ - 1).

market premium was 7.8% (13.3% - 5.5%). I should note that the arithmetic mean must be used in the CAPM because it is a single period model. It is further confirmed by Ibbotson who has indicated:

> *Arithmetic Versus Geometric Differences*
> For use as the expected equity risk premium in the CAPM, the *arithmetic* or *simple difference* of the *arithmetic* means of stock market returns and riskless rates is the relevant number. This is because the CAPM is an additive model where the cost of capital is the sum of its parts. Therefore, the CAPM expected equity risk premium must be derived by arithmetic, *not geometric*, subtraction.
>
> *Arithmetic Versus Geometric Means*
> The expected equity risk premium should always be calculated using the arithmetic mean. The arithmetic mean is the rate of return which, when compounded over multiple periods, gives the mean of the probability distribution of ending wealth values....This makes the arithmetic mean return appropriate for computing the cost of capital. The discount rate that equates expected (mean) future values with the present value of an investment is that investment's cost of capital. The logic of using the discount rate as the cost of capital is reinforced by noting that investors will discount their (mean) ending wealth values from an investment back to the present using the arithmetic mean, for the reason given above. They will therefore require such an expected (mean) return prospectively (that is, in the present looking toward the future) to commit their capital to the investment. (Stocks, Bonds, Bills and Inflation - 1996 Yearbook, pages 153-154)

For the CAPM, a market premium of 11.06% (7.8 + 14.32% = 22.12% ÷ 2) would be reasonable which is the average of the 7.8% using historical data and a market premium of 14.32% using forecasts.

COMPARABLE EARNINGS APPROACH

In order to identify the appropriate return on equity for a gas distribution utility, it is necessary to analyze returns experienced by other firms within the context of the Comparable Earnings standard. The firms selected for the Comparable Earnings approach should be companies whose prices are not subject to cost-based price ceilings (i.e., non-regulated firms) so that circularity is avoided. Because regulated firms must compete with non-regulated firms in the capital markets, it is appropriate, if not necessary, to view the returns experienced by firms which operate in competitive markets. One must keep in mind that the rates of return for non-regulated firms represent results on book value actually achieved or expected to be achieved because the starting point of the calculation is the actual experience of companies that are not subject to rate regulation. As established in the Hope case:

> [T]he return to the equity owner should be commensurate with returns on investments in other enterprises having corresponding risks. That return, moreover, should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and to attract capital.

Therefore, it is important to identify the returns earned by firms which compete for capital with a gas distribution utility. This can be accomplished by analyzing the returns for non-regulated firms which are subject to the competitive forces of the marketplace.

There are two avenues available to implement the Comparable Earnings approach. One method would involve the selection of another industry (or industries) with comparable risks to the gas distribution utility in question, and the results for all companies within that industry would serve as a benchmark. The second approach requires the selection of parameters which represent similar risk traits for the gas distribution utility and the comparable risk companies. Using this approach,

the business lines of the comparable companies become unimportant. The latter approach is preferable with the further qualification that the comparable risk companies exclude regulated firms. As such, this approach to Comparable Earnings avoids the circular reasoning implicit in the use of the achieved earnings/book ratios of other regulated firms. Rather, it provides an indication of an earnings rate derived from non-regulated companies which are subject to competition in the marketplace and not rate regulation. Because, regulation is a substitute for competitively-determined prices, the returns realized by non-regulated firms with comparable risks to a gas distribution utility provide useful insight into a fair rate of return. This is because returns realized by non-regulated firms have become increasingly relevant with the trend toward increased risk throughout the gas distribution utility business. Moreover, the rate of return for a regulated gas distribution utility must be competitive with returns available on investments in other enterprises having corresponding risks, especially in a more global economy.

To identify the comparable risk companies, the Value Line Investment Survey for Windows was used to screen for firms of comparable risks. The Value Line Investment Survey for Windows includes data on approximately 1600 firms. Excluded from the selection process were companies with a foreign exchange listing and master limited partnerships (MLPs).

Value Line's risk analysis of these firms includes a wide range of financial and market variables, including nine items available that provide ratings for each company. From these nine items, I removed one category dealing with industry performance because, under my approach, the particular business type is not significant. In addition, I removed, two categories dealing with estimates of current earnings and dividends because they are not useful for comparative purposes. The remaining six categories provide relevant measures to establish comparability. The definitions

for each of the six criteria (from the Value Line Investment Survey - Subscriber Guide) follows:

Timeliness Rank

The rank for a stock's probable relative market performance in the year ahead. Stocks ranked 1 (Highest) or 2 (Above Average) are likely to outpace the year-ahead market. Those ranked 4 (Below Average) or 5 (Lowest) are not expected to outperform most stocks over the next 12 months. Stocks ranked 3 (Average) will probably advance or decline with the market in the year ahead. Investors should try to limit purchases to stocks ranked 1 (Highest) or 2 (Above Average) for Timeliness.

Safety Rank

A measure of potential risk associated with individual common stocks rather than large diversified portfolios (for which Beta is good risk measure). Safety is based on the stability of price, which includes sensitivity to the market (see Beta) as well as the stock's inherent volatility, adjusted for trend and other factors including company size, the penetration of its markets, product market volatility, the degree of financial leverage, the earnings quality, and the overall condition of the balance sheet. Safety Ranks range from 1 (Highest) to 5 (Lowest). Conservative investors should try to limit purchases to equities ranked 1 (Highest) or 2 (Above Average) for Safety.

Financial Strength

The financial strength of each of the more than 1,600 companies in the VS II data base is rated relative to all the others. The ratings range from A++ to C in nine steps. (For screening purposes, think of an A rating as "greater than" a B). Companies that have the best relative financial strength are given an A++ rating, indicating an ability to weather hard times better than the vast majority of other companies. Those who don't quite merit the top rating are given an A+ grade, and so on. A rating as low as C++ is considered satisfactory. A rating of C+ is well below average, and C is reserved for companies with very serious financial problems. The ratings are based upon a computer analysis of a number of key variables that determine (a) financial leverage, (b) business risk, and (c) company size, plus the judgment of Value Line's analysts and senior editors regarding factors that cannot be quantified across-the-board for companies. The primary variables that are indexed and studied

include equity coverage of debt, equity coverage of intangibles, "quick ratio", accounting methods, variability of return, fixed charge coverage, stock price stability, and company size.

Price Stability Index

An index based upon a ranking of the weekly percent changes in the price of the stock over the last five years. The lower the standard deviation of the changes, the more stable the stock. Stocks ranking in the top 5% (lowest standard deviations) carry a Price Stability Index of 100; the next 5%, 95; and so on down to 5. One standard deviation is the range around the average weekly percent change in the price that encompasses about two thirds of all the weekly percent change figures over the last five years. When the range is wide, the standard deviation is high and the stock's Price Stability Index is low.

Beta

A measure of the sensitivity of the stock's price to overall fluctuations in the New York Stock Exchange Composite Average. A Beta of 1.50 indicates that a stock tends to rise (or fall) 50% more than the New York Stock Exchange Composite Average. Use Beta to measure the stock market risk inherent in any diversified portfolio of, say, 15 or more companies. Otherwise, use the Safety Rank, which measures total risk inherent in an equity, including that portion attributable to market fluctuations. Beta is derived from a least squares regression analysis between weekly percent changes in the price of a stock and weekly percent changes in the NYSE Average over a period of five years. In the case of shorter price histories, a smaller time period is used, but two years is the minimum. The Betas are periodically adjusted for their long-term tendency to regress toward 1.00.

Technical Rank

A prediction of relative price movement, primarily over the next three to six months. It is a function of price action relative to all stocks followed by Value Line. Stocks ranked 1 (Highest) or 2 (Above Average) are likely to outpace the market. Those ranked 4 (Below Average) or 5 (Lowest) are not expected to outperform most stocks over the next six months. Stocks ranked 3 (Average) will probably advance or decline with the market. Investors should use the Technical and Timeliness Ranks as complements to one another.

In order to implement the Comparable Earnings approach, non-regulated companies were selected from the Value Line Investment Survey for Windows which have six categories of comparability designed to reflect the risk of the Barometer Group. These screening criteria were used to establish a range as defined by the rankings of the component companies in the Barometer Group. The items considered were: Timeliness Rank, Safety Ranking, Financial Strength, Price Stability, Value Line betas, and Technical Rank. The identities of companies comprising the Comparable Earnings group and their associated rankings within the ranges are identified on page 1 of Schedule 13 for the Barometer Group.

Value Line data was relied upon because it provides a comprehensive basis for evaluating the risks of the comparable firms. As to the returns calculated by Value Line for these companies, there is some downward bias in the figures shown on page 2 of Schedule 13 because Value Line computes the returns on year-end rather than average book value. If average book values had been employed, the rates of return would have been slightly higher. Nevertheless, these are the returns considered by investors when taking positions in these stocks. Finally, because many of the comparability factors, as well as the published returns, are used by investors for selecting stocks, and to the extent that investors rely on the Value Line service to gauge their returns, it is, therefore, an appropriate data base for measuring comparable return opportunities.

FLORIDA DIVISION OF

CHESAPEAKE UTILITIES CORPORATION

DOCKET NO. 000108-GU

COMPOSITE EXHIBIT NO. WLP-1

	Pages
Exhibit "A" - Current Resume of William L. Pence	A1-A5
Exhibit "B" - Excerpts of EPA Survey	B1-B9
Exhibit "C" - March 25, 1986, FDEP Letter to Public Service Commission	C1-C3
Exhibit "D" - Consent Order dated February 5, 1990	D1-D34

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 000108-GU EXHIBIT NO. 5
COMPANY/ WITNESS: Pence
DATE 10-16-00
DOCUMENT NUMBER-DATE
05946 MAY 15 00
FPSC-RECORDS/REPORTING

WILLIAM L. PENCE

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EMPLOYMENT

September 1989 - Present: Shareholder; Section Administrator, Environmental Practice Group; Akerman, Senterfitt & Eidson, P.A.; Orlando, Florida.

Representation of a variety of commercial, industrial and public entities, including utilities, fertilizer plants, developers, petroleum marketers, petroleum storage terminals and pipeline facilities, electrical components manufacturers, space industry contractors, agricultural producers, lending institutions, and municipalities with respect to: water pollution; solid and hazardous waste compliance; industrial wastewater and air permitting; CERCLA Title III compliance; defense of potentially responsible parties in CERCLA and Florida Department of Environmental Protection site cleanup actions; assessment and remediation of contaminated properties, including former manufactured gas plants, manufacturing and industrial facilities, agricultural sites, and petroleum-contaminated sites; environmental auditing; defense of RCRA enforcement actions; compliance and corrective actions concerning underground and aboveground petroleum storage tanks, bulk petroleum product terminals and pipeline facilities; and environmental risk management in connection with corporate and real estate sales and acquisitions and financing of such transactions.

February 1988 - September 1989: Partner; Environment & Energy Group; Smith & Schnacke, L.P.A.; Orlando, Florida.

Environmental and administrative practice (see above).

November 1983 - February 1988: Associate; Baker & Hostetler; Orlando, Florida.

Emphasis on environmental enforcement and permitting matters (see above), commercial real estate, general corporate (including acquisitions and mergers of closely held corporations), and federal trial practice.

November 1979 - September 1982: Law Clerk; Honorable George C. Young, Chief Judge; U.S. District Court, Middle District of Florida.

EDUCATION

London School of Economics and Political Science, LL.M. (International Law & International Business Transactions), September 1983.

Syracuse University College of Law, J.D. (Magna Cum Laude), May 1979. President's Award for Outstanding Contribution by Graduating Senior; Editor-in-Chief, Syracuse Journal of International Law and Commerce; Coordinator, International Conference on Deep Seabed Mining; Justinian Honorary Society.

Berry College; Mt. Berry, Georgia; B.A. (Cum Laude), May 1976.

PROFESSIONAL ACTIVITIES

Presentations:

Institute of Gas Technology, Environmental, Biotechnologies & Site Remediation Technologies, December 7-9, 1998, Orlando, Florida. Presenter: "Regulatory and Legal Considerations Impacting Site Remediation." Session Chair: "Enhanced In-Situ Treatment of Groundwater."

Florida Bar Association, 20th Annual Local Government Law in Florida, May 2 - 3, 1997, in Orlando, Florida. Topic: "Government Liability for Contaminated Properties: An Update of Statutory and Case Law."

Florida Bar Association, A Practical Guide to Environmental Litigation in Florida, February 23-24, 1996, in Fort Lauderdale, Florida. Topic: "Selected Statutory and Equitable Defenses: Sources and Case Law References."

Center for International Legal Studies, Waidring Conference on International Business Climate and Environmental Regulation, January 21-27, 1996, in Waidring, Austria. Topic: "CERCLA (Superfund): A Model for the World or Should the Mold be Broken?"

International Symposium and Trade Fair on the Clean-up of Manufactured Gas Plants, September 19-21, 1995, in Prague, Czech Republic. Moderator "Legal Issues" Panel; Presenter, Closing Comments: "Future Considerations for the Clean-up of Manufactured Gas Plants."

Florida Pest Control Association Convention & Exposition; July 13, 1995, in Orlando, Florida. Topic - "Potential Liability - Current & Past Operations."

Environmental Resources Expo '95; June 15, 1995, in Orlando, Florida. Topic - "Risk Assessment: Practical Remedial Tool or False Hope?"

The Florida Bar Real Property, Probate & Trust Law Section's Attorney/Trust Officer Liaison Conference; June 12, 1993, in Palm Beach, Florida. Topic - "Waste Makes Haste: Environmental Issues for Corporate Fiduciaries."

American Electroplaters and Surface Finishers Society, Orlando Branch Meeting; October 13, 1992, in Orlando, Florida. Topic - "Environmental Regulations, Penalties, and the Law as Related to the Plating Industry."

Florida Natural Gas Association Conference; September 17, 1992, in Clearwater Beach, Florida. Topic - "Gas Plant and Off-Site Contamination."

Fleet Finance In-House Training Program; May 2, 1991, in Atlanta, Georgia. Topic - "Environmental Due Diligence in Lending Decisions."

Wayne State University School of Law, Contemporary Environmental Law Seminar; April 12, 1991, in Detroit, Michigan. Topic - "Transactional Liability Under Current Environmental Laws."

Florida Bankers Association, Petroleum Contamination Seminar; March 28, 1991, in Orlando, Florida. Topic - "Defining Lender's Due Diligence in Connection with Petroleum-Contaminated Sites."

Westinghouse Environmental and Geotechnical Services, Inc. In-house Training Program for Environmental Evaluations; November 1, 1990, in Altamonte Springs, Florida. Topic - "Summary of Environmental Laws Impacting Real Estate."

CLE International Seminar on Hazardous Waste in Real Estate Transactions; October 25, 1990, in Tampa, Florida. Topic - "Due Diligence - Risk Avoidance."

The Florida Bar's Tenth Annual Real Property, Probate & Trust Law Section Legislative Update and Recent Case Review Seminar; September 14, 1990, in Fort Lauderdale, Florida. Topic - "Environmental Audits in Real Estate Transactions: A Primer in Risk Avoidance."

National Business Institute, Inc. Seminar on Avoiding Environmental Liability in Florida; May 22, 1990, in Tampa, Florida, and May 23, 1990, in Orlando, Florida. Topic - "The Innocent Landowner Defense Under CERCLA: Ignorance is Not Bliss - Unless You've Investigated."

American Electroplaters and Surface Finishers Society, 11th Annual AESF/EPA Conference on Environmental Control for the Surface Finishing Industry; February 5, 1990, in Miami, Florida. Topic - "Proactive Management: Strategies to Minimize the Risk of Civil and Criminal Enforcement of Environmental Laws."

Florida Society of Environmental Analysts, Hazardous Waste Seminar; October 19, 1989, in Jacksonville, Florida. Topic - "Regulations and Liabilities with Respect to Hazardous Waste Disposal and Analytical Results."

Robert Morris Associates; December 1988, in Orlando, Florida. Topic - "Environmental Implications of Lender Liability in Real Estate Transactions."

Association of Real Estate Appraisers; September 1988, in Orlando, Florida. Topic - "The Role of Environmental Risk Assessments in Real Estate Transactions."

Executive Enterprises, Inc., General Environmental Regulation Course; August 1988, in Orlando, Florida. Topic - "RCRA Program for Underground Storage Tanks."

Tokyo Bar Association, People to People Citizen Ambassador Program; May 1988, in Tokyo, Japan. Topic - "The Role of Environmental Assessments/Audits in the Acquisition of American Businesses."

Orange County Bar Association, Real Estate Seminar; April 1988, in Orlando, Florida. Topic - "Environmental Impacts of Real Estate Transactions."

Superfund: How It May Affect You and Your Business Seminar, sponsored by Baker & Hostetler, CECOS International; April 1987, in Cleveland, Ohio. Topic - "Environmental Implications of Business Transactions."

Publications:

Author of Monthly "Regulatory Update" Column, Plating and Surface Finishing, Journal of the American Electroplaters and Surface Finishers Society, Inc., 1989-1990.

"Proactive Management: Strategies to Minimize the Risk of Civil and Criminal Enforcement of Environmental Laws," Proceedings of the 11th AESF/EPA Conference on Environmental Control for the Surface Finishing Industry, February 5-7, 1990.

ADMITTED

Supreme Court of Florida
United States Circuit Court of Appeals for the Eleventh Circuit
United States Court of Appeals for the Federal Circuit
United States District Court for the Middle District of Florida

MEMBER

Florida Bar Association
Environmental and Land Use Law Section, Florida Bar Association; Chairman, Membership and Planning Committee (1988-89)
Orange County Bar Association
American Bar Association
Section of Natural Resources, Energy and Environmental Law, American Bar Association
Governor's Transition Task Force on the Environment (1990-91)
Florida Natural Gas Association

PROFESSIONAL DESIGNATION

Qualified in Environmental Law under The Florida Bar Designation Plan

August 1984

DRAFT

SURVEY OF TAR WASTE DISPOSAL AND LOCATIONS OF TOWN GAS PRODUCERS

August 1984

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SURVEY OF TAR WASTE DISPOSAL AND LOCATIONS OF TOWN GAS PRODUCERS

Radian Corporation
7655 Old Springhouse Road
McLean, Virginia 22102

Contract No. 68-02-3137

EPA Project Officer: William J. Rhodes

Advanced Processes Branch
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Office of Environmental Engineering & Technology
Office of Research and Development
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ABSTRACT

This report presents data compiled from available literature identifying plants that manufactured town gas from fossil fuels (e.g., coal, oil) and which existed in the U.S. during the 1890 to 1950 time period. The results are the first step of a preliminary study to investigate the fate and potential environmental impact of by-products (such as tar) from the manufactured gas industry. A list of gas manufacturing sites and company names was compiled by reviewing published gas statistics. It is estimated that more than 1,500 manufactured gas facilities existed between the years 1890 and 1950. In addition, available gas and by-product production data and gasifier/process information are reported.

Based on these data, a rough estimate for the total production of tar by the U.S. manufactured gas industry was developed. It is estimated that approximately 15 trillion cubic feet of gas was manufactured in the United States between the years 1881 and 1950, resulting in the production of 11 billion gallons of tar as a by-product. Of this total tar production, 8.4 billion gallons (76 percent) were estimated to be sold and the remainder, 2.6 billion gallons (24 percent), were assumed to be consumed at the plant site, sold (without reporting of sales to ongoing surveys), or discarded. The explanations and assumptions used in compiling the data as well as those used in developing the tar estimates are also discussed in this report. Excess quantities of other by-products, such as coke and ammonia, may have been disposed of also. However, this study focused on tar because it is considered the more potentially significant waste disposal problem.

TABLE B-1: IDENTIFICATION OF TOWN GAS MANUFACTURING SITES - ALL PLANTS (1890-1953)

STATE: FLORIDA

NO.	CITY		YEAR	STATUS	GAS TYPE	GAS PRODUCTION RATE (MM cu.ft./YR) Coal	Water	Oil	Coke	Total	GASIFIER/ PROCESS	*******BY-PRODUCTS******** Coke	Tar	Ammonia	Other	MISCELLANEOUS INFORMATION
1	Gainesville	* GEL Co	1890	*	C	5				5						
			1900	*	C	3				3						
			1910	*	W		4			4	Su					
			1920	*	W		10			10						
			1930	*	W		28			28						
			1940	*	CW		30			30						
			1950	*	CW		136			136						
			AVERAGES:			4	42			31						
2	Jacksonville	* G&E Co	1890	*	W		20			20						
			1900	*	W		22			22						
			1910	*	W		130			130						
			1920	*	C,W	352	97			449		(23)	350	295		
			1930	*	C,W	236	367			603		12	218			
			1940	*	CW		476			476			904			
			1950	*	CW		925			925		1,076				
			AVERAGES:			294	291			375		544	491	295		
3	Key West	* GEL Co	1890	*	O			(10)								
			1900	O												
			1910	O												
			1920	*	W		71			71			(17)			
			1930	*	W		56			56						
			1940	*	CW		46			46						
			1950	N												
			AVERAGES:				58			58						
4	Orlando	So Florida G Co	1890	*	W		(6)									
			1900	*	W		4			4						
			1910	*	C,W	3	3			6						
			1920	*	W		17			17						
			1930	*	W		169			169						
			1940	*	CW		230			230						
			1950	*	CW		492			492			500			
			AVERAGES:			3	153			153			500			

TABLE B-1 IDENTIFICATION OF TOWN GAS MANUFACTURING SITES - ALL PLANTS (1890-1950)

STATE: FLORIDA

NO.	CITY	COMPANY	YEAR	STATUS	GAS TYPE	GAS PRODUCTION RATE (MM cu.ft./YR) Coal	Water	Oil	Coke	Total	GASIFIER/ PROCESS	*******BY-PRODUCTS******** Coke	Tar	Ammonia	Other	MISCELLANEOUS INFORMATION
5	Palatka	* GL&Fuel Co	1890	*	C	4				4						
			1900	*	C	3				3						
			1910	*	W		3			3	Lowe					
			1920	*	W		7			7	"					
			1930	*	W		11			11	"					
			1940	D												
			1950	D												
			AVERAGES:			4	7			6						
6	Pensacola	* G Co	1890	*	W		(15)									
			1900	*	W		17			17						
			1910	*	W		45			45						
			1920	*	W		86			86				19		
			1930	*	W		100			100				86		
			1940	N												
			1950	N												
			AVERAGES:				62			62				53		
7	Sanford	* L&Fuel Co	1890	*	W		3			3						
			1900	*	W		3			3						
			1910	*	W		9			9						
			1920	*	W		7			7						
			1930	*	W		(10)									
			1940	*	CW		58			58						
			1950	*	CW		93			93						
			AVERAGES:				29			29						
8	St Augustine	* G&EL Co	1890	*	W		12			12						
			1900	*	W		17			17						
			1910	*	W		30			30						
			1920	*	W		45			45				13		
			1930	*	W		77			77						
			1940	*	CW		58			59						
			1950	*	CW		93			93						
			AVERAGES:				47			47				13		

TABLE B-1: IDENTIFICATION OF TOWN GAS MANUFACTURING SITES - ALL PLANTS (1890-1950)

STATE: FLORIDA

NO.	CITY	COMPANY	YEAR	STATUS	GAS TYPE	GAS PRODUCTION RATE (MM cu.ft./YR) Coal	Water	Oil	Coke	Total	GASIFIER/ PROCESS	********BY-PRODUCTS******** Coke	Tar	Ammonia	Other	MISCELLANEOUS INFORMATION
9	Tallahasee	* G&EL Co	1890	*	C	(5)										
			1900	*	C	6				6						
			1910	N												
			1920	*	W		6			6						
			1930	*	W		240			240						
			1940	*	W		52			52						
			1950	*	W		104			104						
			AVERAGES:			6	101			82						
10	Ocala	Citizen's GH&L Co	1890													
			1900	*	W		2			2						
			1910	*	W		8			8						
			1920	*	W		7			7						
			1930	*	W		15			15						
			1940	*	CW		(7)									
			1950	*	W		31			31	Semet Solvay					
			AVERAGES:				13			13						
11	Tampa	* G Co	1890													
			1900	*	W		11			11	Lowe					
			1910	*	W		49			49	"					
			1920	*	W		246			246	"					
			1930	*	W		625			625	"				263	
			1940	*	CW		539			539	"				433	
			1950	*	CW		1,098			1,098	"				932	
			AVERAGES:				428			428						
12	De Land	Citizen's Mfg Co	1890													
			1900													
			1910	*	CW		(3)				Lowe					
			1920	*	CW		(3)				"					
			1930	O												
			1940	O												
			1950	N	Propane											
			AVERAGES:													

TABLE B-1: IDENTIFICATION OF TOWN GAS MANUFACTURING SITES - ALL PLANTS (1890-1950)

STATE: FLORIDA

NO.	CITY	COMPANY	YEAR	STATUS	GAS TYPE	GAS PRODUCTION RATE (MM cu.ft./YR) Coal	Water	Oil	Coke	Total	GASIFIER/ PROCESS	*******BY-PRODUCTS******** Coke	Tar	Ammonia	Other	MISCELLANEOUS INFORMATION
13	Miami	* G Co	1890													
			1900													
			1910	*	O			15		15	J-L					
			1920	*	O			80		80	"					
			1930	*	W		386			386						
			1940	*	W		540			540						
			1950	*	W		1,162			1,162						
			AVERAGES:				696	48		437						
14	Daytona	* Public Serv Co	1890													
			1900													
			1910													
			1920	*	W		26			26	Lowe					
			1930	O												
			1940	O												
			1950	-												
			AVERAGES:				26			26						
15	Lakeland	* G Co	1890													
			1900													
			1910													
			1920	*	W		13			13	Lowe					
			1930	*	W		64			64	"					
			1940	O												
			1950	O												
			AVERAGES:				39			39						
16	St Petersburg	* Municipal G Plant	1890													
			1900													
			1910													
			1920	*	W		55			55	Lowe				30	
			1930	*	W		277			277	"				150	
			1940	*	CW		376			376	"					
			1950	*	CW		786			786	"					
			AVERAGES:				374			374					90	

TABLE B-1: IDENTIFICATION OF TOWN GAS MANUFACTURING SITES - ALL PLANTS (1890-1950)

STATE: FLORIDA

NO.	CITY		YEAR	STATUS	GAS TYPE	GAS PRODUCTION RATE (MM cu.ft./YR) Coal	Water	Oil	Coke	Total	GASIFIER/ PROCESS	********BY-PRODUCTS******** Coke	Tar	Ammonia	Other	MISCELLANEOUS INFORMATION
17	Bradenton	Southern G&E Corp	1890													
			1900													
			1910													
			1920													
			1930	*	W		42			42						
			1940	*	CW		65			65						
			1950	*	W		77			77						
			AVERAGES:				61			61						
18	Clearwater	* Municipal G Dept	1890													
			1900													
			1910													
			1920													
			1930	*	W		(11)				Tenney					
			1940	*	CW		90			90	"					
			1950	*	W		180			180	"					
			AVERAGES:				135			135						
19	Fort Lauderdale	* G Co	1890													
			1900													
			1910													
			1920													
			1930	*	W		8			8						
			1940	0												
			1950	0												
			AVERAGES:				8			8						
20	Fort Myers	Commission of City of *	1890													
			1900													
			1910													
			1920													
			1930	*	W		(10)									
			1940	*	W		40			40						
			1950	*	W		90			90						
			AVERAGES:				65			65						

TABLE B-1: IDENTIFICATION OF TOWN GAS MANUFACTURING SITES - ALL PLANTS (1890-1950)

STATE: FLORIDA

NO.	CITY		YEAR	STATUS	GAS TYPE	GAS PRODUCTION RATE (MM cu.ft./YR) Coal	Water	Oil	Coke	Total	GASIFIER/ PROCESS	*******BY-PRODUCTS******** Coke	Tar	Ammonia	Other	MISCELLANEOUS INFORMATION
21	Miami Beach	G Co of *	1890													
			1900													
			1910													
			1920													
			1930	*	W		(15)									
			1940	*	CW		389			389						
			1950	*	CW		1,372			1,372						
			AVERAGES:				881			881						
22	West Palm Beach	Florida Public Util Co	1890													
			1900													
			1910													
			1920													
			1930	*	W		177			177					50	
			1940	*	W		264			264						
			1950	*	W		535			535						
			AVERAGES:				325			325					50	
23	Winter Haven	* GL Co	1890													
			1900													
			1910													
			1920													
			1930	P												
			1940	*	CW		49			49						
			1950	*	CW		120			120						
			AVERAGES:				85			85						

Discussed with H Ellis

RECEIVED
SEP 28 1987
NORTHEAST DISTRICT
GAINESVILLE BRANCH

March 25, 1986

Mr. Lee Romig
Electric Gas Department
101 East Gaines Street
Tallahassee, FL 32301-8153

Dear Lee:

Attached is a list showing the current assessment status of Town Gas sites in Florida.

We initially thought that a walkover inspection would be sufficient to identify those sites needing contamination assessment. However, work at the Ft. Lauderdale site indicated ground water impact without a visual presence of coal tar or its constituents. As a result, a preliminary contamination assessment will need to be completed for each site. We recommend that each property owner prepare a Preliminary Contamination Assessment Plan (PCAP) to sample site soil, ground water and surface water in accordance with the attached guidance. This should be coordinated with DER in Tallahassee.

Sincerely,

Joe P. Kulakowski
Bureau of Operations

JPK/cs

Attachment

cc: Bill Suzick
blind copies to District Managers w/attachment

ASSESSMENT STATUS OF FLORIDA TOWN GAS SITES

RECEIVED
SEP 28 1987
NORTHEAST DISTRICT
GAINESVILLE BRANCH

DER DISTRICT OFFICE

Location	Walk-over Insp.	(PCAP)*	Comments
NW DISTRICT			
Pensacola (Municipal)	Yes	No	No visible problem
Tallahassee (Municipal)	Yes	No	No visible problem; known as Cascades Park
NE DISTRICT			
Jacksonville (Peoples/-Container Corp.)	Yes	Yes	Coal tar present onsite CAP's being prepared
Gainesville (Gainesville Gas Co./Poole Roofing Co.)	No	No	
Palatka (Municipal)	No	No	Location not known
St. Augustine (Municipal)	No	No	Location not known
SW DISTRICT			
Tampa (Peoples)	No	No	Coal tar was shipped offsite
Lakeland (Peoples)	No	No	Field & parking lot
St. Petersburg (Peoples-site owned by City)	No	No	Coal tar may have been barged offsite; station constructed on site
Bradenton (Southern Co.)	No	No	
Clearwater (Municipal)	No	No	Coal tar sold & decomposed by bacteria. Now as parking lot
Winter Haven (Central Florida Gas)	No	No	Adjacent to lake

ST. JOHNS RIVER DISTRICT			
Orlando (Peoples)	No	No	
Sanford (FL Public Utilities)	No	No	Office & parking lot
Ocala (Gulf Natural Gas Corp.)	No	No	Up for sale
Deland (FL Public Utilities)	No	No	
Daytona Power & Light	No	No	
SOUTH FLORIDA DISTRICT			
Key West	No	No	Location not known
Ft. Myers (Municipal)	Yes	No	No visible problem
SE FLORIDA DISTRICT			
Miami (Peoples)	No	No	
Ft. Lauderdale (Peoples)	Yes	Yes	Soil & groundwater sampling by ERM; no visible problem, low concentrations of coal tar constituents in groundwater.
Miami Beach (Peoples)	Yes	Yes	CAP has been prepared, has not been approved by DER and DERM
West Palm Beach (FL Public Utilities)	No	No	Office & parking lot

-PCAP - Preliminary Contamination Assessment Plan

DER CERTIFIED MAIL NO. _____

BEFORE THE STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL REGULATION

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL REGULATION Complainant, vs. CENTRAL FLORIDA GAS COMPANY, a division of Chesapeake Utilities Corporation AND JAMES R. LOWE Respondents.	IN THE OFFICE OF THE SOUTHWEST DISTRICT OGC CASE NO: 88-1292

CONSENT ORDER

This Consent Order is made and entered into between the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL REGULATION ("Department"), CENTRAL FLORIDA GAS COMPANY, a division of Chesapeake Utilities Corporation, and JAMES R. LOWE ("Respondents"). The Department finds and the parties agree:

1. The Department is the administrative agency of the State of Florida which has the authority to administer and enforce the provisions of Chapter 403, Florida Statutes ("F.S."), and rules promulgated thereunder, Florida Administrative Code ("F.A.C.") Chapter 17. The Department has jurisdiction over the matters addressed in this Consent Order.

2. Respondent, Central Florida Gas Company, is a division of Chesapeake Utilities Corporation, a Delaware corporation, and is a person within the meaning of Sections 403.031(5) and 403.703(3), F.S.

3. Respondent, James R. Lowe, is a resident of Winter Haven, Florida, and is a person within the meaning of Sections 403.031(5) and 403.703(3), F.S. James R. Lowe is a party to this Consent Order for the limited purpose of providing Respondent, Central Florida Gas Company, access to the Lowe Parcel (as described below) for the purpose of complying with Central Florida Gas Company's obligations hereunder, and to receive the benefit of the release provided by Paragraph 22 below.

4. Respondent, Central Florida Gas Company, is the owner of a parcel of real estate located at 1705 Seventh Street, S.W., Winter Haven, Florida ("CFG Parcel"). Respondent, James R. Lowe, is the owner of a parcel of real estate located adjacent to the CFG Parcel, which at one time was owned by Respondent, Central Florida Gas Company ("Lowe Parcel"). The CFG Parcel and Lowe Parcel are hereinafter jointly referred to as the Facility. The Facility is further described as located in Section 32, Township 28 South, Range 26 East.

5. Prior to 1953, Respondent, Central Florida Gas Company, conducted a coal gas manufacturing operation at the Facility. The coal gas manufacturing process was ceased in 1953. Aboveground holding tanks were dismantled in 1986.

6. Coal tar by-products were generated by Respondent, Central Florida Gas Company, through its past coal gas manufacturing operations. Respondent, Central Florida Gas Company, maintains that its past coal gas manufacturing operation was not a coking operation. The parties agree that wastes generated by Respondent, Central Florida Gas Company, if they were not generated by a coking operation, are not listed hazardous wastes, specifically K087 ("decanter tank tar sludge from coking operations"), pursuant to Chapter 40, Code of Federal Regulations Part 261 (40 CFR 261).

7. The major constituents of concern with respect to coal tar by-products, as evidenced by results of studies conducted at other former coal gas manufacturing sites throughout the country, include, but are not limited to, polynuclear aromatic hydrocarbons, phenolic compounds, heavy metals, and cyanide.

8. Respondents deny that any actual or threatened releases requiring removal or remedial action are occurring or have occurred at the Facility, and deny any liability for any activities at, or circumstances presented at or by, conditions at the Facility. However, in order to avoid difficult, prolonged, and complicated litigation regarding these issues, the parties recognize that the public interest is best served by this voluntary agreement to determine whether soil or groundwater quality impacts have occurred at the Facility as a result of the prior ~~coal gas~~ manufacturing operations.

9. This Consent Order shall not be considered an admission by Respondents of any violation of or liability under any applicable federal, state or local laws and regulations or under any federal or state common law, nor shall it be used as evidence in any administrative proceeding or proceeding at law, except an action involving the terms or implementation of this Order, or as otherwise provided herein.

10. Respondents submitted a Contamination Assessment Plan ("CAP") to the Department on December 6, 1988, for review and approval.

11. A site specific Quality Assurance Project Plan ("QAPP") was submitted to the Department on December 6, 1988, for review and approval.

12. The Department has reviewed the QAPP, and finds that it adequately meets the necessary objectives of a quality assurance project plan. Department approval of the QAPP was issued on August 31, 1989.

THEREFORE, having reached a resolution of this matter pursuant to F.A.C. Rule 17-103.110(3), Respondents and the Department mutually agree and it is

ORDERED:

13. Respondent, Central Florida Gas Company, shall implement the corrective actions as set forth in the document entitled "Corrective Actions for Ground Water Contamination Cases," attached hereto as Exhibit I, within the time frames set forth therein.

14. Respondent Central Florida Gas Company's obligation to implement the corrective actions set forth in Exhibit I shall be limited to conditions present on or under the CFG Parcel and to off-site conditions resulting soley from the acts of Respondent Central Florida Gas Company as a result of its ownership or use of the CFG Parcel. Respondent shall have the burden of establishing that the off-site conditions do not result solely from the acts of Respondent Central Florida Gas Company.

15. Respondents waive their right to an administrative hearing on the terms and conditions of this Consent Order under Section 120.57, F.S., and their right to appeal this Consent Order pursuant to Section 120.68, F.S., except as herein provided.

16. With regard to any final agency action made or taken by the Department pursuant to this Consent Order, Respondents may request an informal conference to resolve the disputed final agency action within ten (10) days from the final agency action. The Department may grant or deny such request. No agency action will be final for the purposes of invoking the jurisdiction of Section 120.57, F.S., until such time as the Department notifies the Respondents in writing that the informal conference has been completed or that the request for informal conference has been denied. If the parties cannot resolve the disputed final agency action in this manner, Respondents may file a petition for a formal or informal administrative proceeding if they contest the aforementioned determination, pursuant to Section 120.57, F.S.,

and F.A.C. Chapters 17-103 and 28-5. The petition must conform with the requirements of F.A.C. Rule 28-5.201, and must be received by the Department's Office of General Counsel, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400, within fourteen (14) days of receipt of the notice. Failure to file a petition within this time period shall constitute a waiver by Respondents of their right to request an administrative proceeding under Section 120.57, F.S. The Department's determination, upon expiration of the fourteen (14) day time period if no petition is filed, or the Department's Final Order as a result of the filing of a petition, shall be incorporated by reference into this Consent Order and made a part of it. All other aspects of the Consent Order shall remain in full force and effect at all times. If Respondents seek an administrative proceeding pursuant to this paragraph, the Department may file suit against Respondents in lieu of or in addition to holding the administrative proceeding to obtain judicial resolution of all the issues unresolved at the time of the request for administrative proceeding. In the event that the Department files such suit pursuant to this paragraph, Respondents reserve all of their rights and defenses to challenge or respond to such suit as is appropriate.

17. Respondent, Central Florida Gas Company, shall publish, at its expense, the following notice within fourteen (14) days of the effective date of this Consent Order, in the legal advertising section of a newspaper of general circulation in Polk

County. Respondent, Central Florida Gas Company, shall provide proof of publication to the Department within twenty-one (21) days of the effective date of this Consent Order.

State of Florida Department of Environmental Regulation
Notice of Proposed Agency Action

The Department of Environmental Regulation gives notice of agency action of entering into a Consent Order with Central Florida Gas Company ("Company"), 1015 Sixth Street, NW, Winter Haven, Florida, pursuant to Rule 17-103.110(3), Florida Administrative Code. The Consent Order provides for the performance of a contamination assessment to determine whether environmental impacts have resulted from the Company's prior operation of a coal gas manufacturing plant in Winter Haven, Florida. The Consent Order is available for public inspection during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at the Department of Environmental Regulation, 4520 Oak Fair Blvd., Tampa, Florida 33610-7347.

Persons whose substantial interests are affected by the above proposed agency action have a right, pursuant to Section 120.57, Florida Statutes, to petition for an administrative determination (hearing) on the proposed action. The petition must conform to the requirements of Chapters 17-103 and 28-5, Florida Administrative Code, and must be filed (received) with the Department's Office of General Counsel, 2600 Blair Stone Road, Tallahassee, Florida 32399, within fourteen (14) days of publication of this notice. Failure to file a petition within the fourteen (14) days constitutes a waiver of any right such person has to an administrative determination (hearing) pursuant to Section 120.57, Florida Statutes.

If a petition if filed, the administrative hearing process is designed to formulate agency action. Accordingly, the Department's final action may be different from the proposed agency action. Persons whose substantial interests will be affected by any decision of the Department have the right to intervene in the proceeding. A petition for intervention must be filed pursuant to Model Rule 28-5.207, Florida Administrative Code, at least five (5) days before the final hearing and be filed with the Hearing Officer if

one has been assigned at the Division of Administrative Hearings, Department of Administration, 2009 Apalachee Parkway, Tallahassee, Florida 32399-1550. If no Hearing Officer has been assigned, the petition is to be filed with the Department's Office of General Counsel, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400. Failure to petition to intervene within the allowed time frame constitutes a waiver of any right such person has to an administrative determination (hearing) under Section 120.57, Florida Statutes.

18. Respondent, James R. Lowe, shall allow authorized representatives of Respondent, Central Florida Gas Company, access to the Lowe Parcel for the purpose of conducting the scope of work specified in the CAP, and for otherwise enabling Respondent, Central Florida Gas Company, to perform its obligations under this Consent Order.

19. Respondent, James R. Lowe, shall allow authorized representatives of the Department access to the Lowe Parcel at reasonable times for the purpose of determining compliance with this Consent Order, and the rules and regulations of the Department.

20. Entry of this Consent Order does not relieve Respondents of the obligation to comply with applicable federal, state or local laws, regulations or ordinances.

21. The Department hereby expressly reserves the right to initiate appropriate legal action to prevent or prohibit future violations of applicable statutes, or the rules promulgated thereunder not covered by the terms of this Consent Order.

22. The Department, for and in consideration of the complete and timely performance by Respondents of the obligations agreed

to in this Consent Order, hereby waives its right to seek judicial imposition of damages, civil or criminal penalties, as well as its right to recover legal and/or administrative costs incurred by the State of Florida concerning the issues involved in this Consent Order.

23. Nothing contained herein shall affect any right, claim or course of action that Respondents may have against each other or against parties not subject to this Consent Order.

24. The terms and conditions set forth in this Consent Order may be enforced in a court of competent jurisdiction pursuant to Sections 120.69 and 403.121, F.S.

25. Nothing herein shall be construed to limit the authority of the Department to undertake any action against the Respondents in response to or to recover the costs of responding to conditions at or from the site which may present an imminent hazard to public health, welfare, or the environment if:

A. The conditions were previously unknown to or undetected by the Department;

B. The conditions result from the implementation of the requirements of this Consent Order;

C. Other previously unknown facts arise or are discovered after entry of this Consent Order.

26 All reports, plans, and data required by this Consent Order are to be submitted in triplicate to the Department and should be sent to the Enforcement Manager, Department of Environmental Regulation, 4520 Oak Fair Blvd., Tampa, Florida 33610-7347.

27. All written determinations or other submittals required by this Consent Order to be submitted by the Department to Respondents shall be sent to William L. Pence, Akerman, Senterfitt & Eidson, P. O. Box 231, Orlando, Florida 32802-0231, Counsel for Respondents.

28. No modification of the terms and conditions of this Consent Order shall be effective until reduced to writing and executed by both Respondents and the Department.

29. This Consent Order is the final agency action of the Department pursuant to Section 120.69, F.S., and F.A.C. Rule 17-103.110(3), and it is final and effective on the date filed with the Clerk of the Department unless a Petition for Administrative Hearing is filed in accordance with Chapter 120, F.S. Upon the timely filing of a petition this Consent Order will not be effective until further order of the Department.

FOR THE RESPONDENTS:

CENTRAL FLORIDA GAS COMPANY

1/8/90
Date

By: _____

JAMES R. LOWE

1/9/90
Date

BY: _____
JAMES R. LOWE

DONE AND ORDERED, this 5 day of Feb., 1990, at Tampa, Hillsborough County, Florida

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL REGULATION

Richard D. Garrity, Ph.D.
Deputy Assistant Secretary
Southwest Florida District
4520 Oak Fair Boulevard
Tampa, Florida 33610-7347

FILING AND ACKNOWLEDGEMENT

FILED, on this date, pursuant to §120.52, Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.

Betty Rodgers
CLERK

Feb. 5, 1990
DATE

Copies Furnished to:

Office of General Counsel
Department of Environmental Regulation
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32301

William L. Pence, Esq.
Akerman, Senterfitt & Eidson
Post Office Box 231
Orlando, Florida 32802-0231

Exhibit I

CORRECTIVE ACTIONS FOR GROUND WATER CONTAMINATION CASES

1. Within 60 days of the effective date of the Order incorporating these contamination assessment actions, Respondent shall submit to the Department a detailed written Contamination Assessment Plan ("CAP"). If the Respondent has conducted a Preliminary Contamination Assessment, the Respondent shall submit to the Department a detailed written CAP within 60 days of receipt of notice from the Department that a CAP is required. The purpose of the CAP shall be to propose methods for collection of information necessary to meet the objectives of the contamination assessment.

A. The objectives of the Contamination Assessment shall be to:

(1) Establish the aerial and vertical extent of soil, sediment, surface water and ground water contamination;

(2) Determine or confirm the contaminant source(s); mechanisms of contaminant transport; rate and direction of contaminant movement in the air, soils, surface water and ground water; and rate and direction of ground water flow;

(3) Provide a complete characterization of the contamination plume(s);

(4) Determine whether interim remedial measures are necessary to abate any imminent hazard;

(5) Determine the amount of product lost, and the time period over which it was lost (if applicable);

(6) If leaking storage tanks may be the source of the contamination, determine the structural integrity of all aboveground and underground storage systems (including integral piping) which exist at the site (if applicable);

(7) Establish the vertical and horizontal extent of free product (if applicable);

(8) Describe pertinent geologic and hydrogeologic characteristics of affected and potentially affected hydrogeologic zones;

(9) Describe geologic and hydrogeologic characteristics of the site which influence migration and transport of contaminants; and

(10) Provide a site history including description of facility operations, as applicable.

B. The CAP shall specify tasks, which are necessary to achieve the objectives described in subparagraph 1.A. above. The CAP shall include a reasonable time schedule for completing each task. The tasks may include, but are not limited to the following:

(1) Use of piezometers or wells to determine the horizontal and vertical directions of the ground water flow;

(2) Use of electromagnetic conductivity (EM) and other geophysical methods or vapor analyzers to trace extent of ground water contamination;

(3) Use of fracture trace analysis to discover linear zones in which discrete flow could take place;

(4) Use of well points or monitoring wells to sample ground water in affected areas and to determine the vertical and horizontal extent of the ground water plume;

(5) Sampling of public and private wells;

(6) Sampling of surface water and sediments;

(7) Sampling of air for airborne contaminants;

(8) Analysis of soils and drum and tank residues for hazardous waste determination and contaminant characterization;

(9) Use of geophysical equipment such as vapor analyzers, magnetometers, ground penetrating radar, or metal detectors to detect tanks, lines, etc;

(10) Determination of the horizontal and vertical extent of soil contamination;

(11) Use of soil and well borings to determine pertinent site-specific geologic and hydrogeologic characteristics of affected and potentially affected hydrogeologic zones such as aquifers, confining beds, and unsaturated zones; and

(12) Use of geophysical methods, pump tests and slug tests to determine geologic and hydrogeologic characteristics of affected and potentially affected hydrogeologic zones.

C. The CAP shall provide detailed information as to how proposed tasks are to be carried out. The CAP shall include, as applicable, the following information:

(1) Proposed sampling locations and rationale for their placement;

(2) A description of methods and equipment to be used to identify and quantify soil or sediment contamination;

(3) A description of water sampling methods;

(4) Parameters to be analyzed for analytical methods to be used, and detection limits of these methods;

(5) Proposed piezometers and well construction details including methods and materials, well installation depths and screened intervals, well development procedures;

(6) A description of methods proposed to determine aquifer properties (e.g., pump tests, slug tests, permeability tests, computer modeling);

(7) A description of geophysical methods proposed for the project;

(8) Details of any other assessment methodology proposed for the site;

(9) A description of any survey to identify and sample public or private wells which are or may be affected by the contaminant plume;

(10) A description of the regional geology and hydrogeology of the area surrounding the site;

(11) A description of site features (both natural and man-made) pertinent to the assessment;

(12) A description of methods and equipment to be used to determine the site specific geology and hydrogeology; and

(13) Details, including disposal or treatment methods, of any immediate remedial actions proposed for the site such as product recovery, soil removal or treatment.

D. The CAP shall contain as a separate document a Quality Assurance Project Plan ("QAPP"), which shall apply to all sampling and analysis required by this Consent Order. The QAPP shall be prepared in accordance with the requirements set forth in the document titled "DER Guidelines for Preparing Quality Assurance Plans, DER-QA-001/85, January 30, 1986." A copy of the document is available upon request from the Department. A QAPP is required for all persons collecting or analyzing samples. The Department reserves the right to reject all results generated by Respondent prior to QAPP approval or which are not in accordance with the Department approved QAPP.

2. The Department shall review the CAP and provide the Respondent with a written response to the proposal. Any action taken by Respondent with regard to the implementation of the CAP prior to the Respondent receiving written notification from the Department that the CAP has been approved shall be at Respondent's risk.

3. In the event that additional information is necessary for the Department to evaluate the CAP, the Department shall make a written request to the Respondent for the information, and within 20 days from receipt of said request, Respondent shall provide all requested information in writing to the Department unless the requested information requires additional field work in which case the Respondent shall submit to the Department within 14 days of receipt of said request, a written schedule for completing the field work needed to provide the requested information.

4. In the event that the Department determines that the CAP submitted by Respondent does not adequately address the objectives of the Contamination Assessment as set forth in subparagraph 1.A. above, the Department will notify the Respondent in writing of the CAP's deficiencies. Respondent shall then have 30 days from the Department's notification to submit a modified CAP addressing the deficiencies noted by the Department.

5. If the Department determines upon review of the resubmitted CAP that the CAP still does not adequately address the objectives of the CAP as set forth in subparagraph 1.A. above, the Department, at its option, may choose either to:

A. Draft specific modifications to the CAP and notify Respondent in writing that the Department's modification shall be incorporated in the CAP; or

B. Notify Respondent in writing that Respondent has failed to comply with paragraph four above, in which case the Department may do any or all of the following: take legal action to enforce compliance with the Order, file suit to recover damages and civil penalties, or complete the corrective actions outlined herein and recover the costs of completion from Respondent.

6. Once a CAP has been approved by the Department, it shall become effective and made a part of this Order and shall be implemented within ten days of the Department's written notification to Respondent that the CAP has been approved. The CAP shall incorporate all required modifications to the proposed CAP identified by the Department. Within 10 working days of completion of the CAP tasks, Respondent shall provide written notice to the Department that the CAP tasks have been completed.

7. Within 45 days of completion of the tasks in the CAP, Respondent shall submit a written Contamination Assessment Report ("CAR") to the Department. The CAR shall:

A. Summarize all tasks which were implemented pursuant to the CAP; and

B. Specify results and conclusions regarding the Contamination Assessment objectives outlined in subparagraph 1.A.

8. The Department shall review the CAR and determine whether it has adequately met the objectives specified in subparagraph 1.A. In the event that additional information is

necessary to evaluate the CAR, the Department shall make a written request to the Respondent for the information. Within 20 days of receipt of said request, Respondent shall provide all requested information unless the requested information requires additional field work in which case the Respondent shall submit, within 14 days of said request, to the Department a reasonable written schedule for completing the field work needed to provide the requested information. The Department shall provide written approval of the CAR once all of the CAP objectives and tasks have been satisfactorily completed.

9. The Department, at its option, may determine from review of the CAR and other relevant information, the Site Rehabilitation Levels (SRLs) to which the contamination shall be remediated or may require the Respondent to implement the risk assessment process to develop such SRLs for the site. The SRLs for water as determined by the Department shall be based on Chapter 17-3, F.A.C. standards and the Department's numerical interpretation of the Chapter 17-3, F.A.C. minimum criteria. The Department may also require that a risk assessment be completed to define SRLs for soils or sediments that are sufficiently contaminated to present a risk to the public health, the environment or the public welfare. If the Department does choose to provide SRLs to the Respondent and does not choose to require a risk assessment and the Respondent agrees to remediate the site to those SRLs, the Respondent shall implement the Feasibility

Study, if required by the Department as set forth in paragraph 13, or submit the Remedial Action Plan (RAP) as set forth in paragraph 18.

10. After completion and Department approval of the CAR, the Respondent shall prepare and submit to the Department a Risk Assessment/Justification (RAJ) if the Department requires the task, or if the Respondent wishes to develop SRLs other than those determined by the Department or if the Respondent intends to justify a no-action proposal for the site. The RAJ which includes a risk assessment and a detailed justification of any alternative SRLs or no action proposal shall be submitted within 90 days from receipt of the Department's written approval of the CAR and determination of the SRLs for the site, or within 90 days of the Department's written approval of the CAR and notice that a RAJ is required, or within 90 days of the Department's written approval of the CAR. Unless otherwise approved by the Department, the subject document shall address the following task elements, divided into the following five major headings:

A. Exposure Assessment - The purpose of the Exposure Assessment is to identify routes by which receptors may be exposed to contaminants and to determine contaminant levels to which receptors may be exposed. The Exposure Agreement should:

(1) Identify the contaminants found at the site and their concentrations as well as their extent and locations;

(2) Identify possible transport pathways;

(3) Identify potential exposure routes.

(4) Identify potential receptors for each exposure route; and

(5) Estimate or calculate expected contaminant levels to which actual or potential receptors may be exposed.

B. Toxicity Assessment - The purpose of the Toxicity Assessment is to define the applicable human health and environmental criteria for contaminants found at the site. The criteria should be defined for all potential exposure routes identified in the Exposure Assessment. DER standards shall be the criteria for consultants and exposure routes to which the standards apply. Criteria for constituents and exposure routes for which DER standards are not established shall be based upon criteria such as Recommended Maximum Contaminant Levels (RMCLs), Maximum Contaminant Levels, Average Daily Intake values (ADIs), Unit Cancer Risk values (UCRs), organoleptic threshold levels, Ambient Water Quality Criteria for Protection of Human Health and for Protection of Aquatic Life, and other relevant criteria as applicable. If there are no appropriate criteria available for the contaminants and exposure routes of concern, or the criteria are in an inappropriate format, the Respondent shall develop the criteria using equations and current scientific literature acceptable to toxicological experts. Criteria for the following exposure routes shall be defined or developed as applicable:

(1) Potable water exposure route - develop criteria for ingestion, dermal contact, inhalation of vapors and mists, utilizing applicable health criteria such as Recommended Maximum Contaminant Level (RMCLs), Maximum levels, Average Daily Intake values (ADIs), Unit center Risk values (UCRs), organoleptic threshold levels, and other relevant criteria as applicable.

(2) Non-potable domestic water usage exposure route - develop criteria for dermal contact, inhalation of vapors and mists, ingestion of food crops irrigated with such water, lawn watering, ingestion by pets and livestock, and other related exposure.

(3) Soil exposure route - develop criteria for ingestion, dermal contact, inhalation, ingestion by humans or animals of food crops grown in contaminated soils.

(4) Non potable surface water exposure - develop criteria for prevention of adverse effects on human health (e.g. dermal contact effects on humans utilizing the resource for recreational purposes) or the environment (e.g. toxic effects of the contaminants on aquatic or marine biota, bio-accumulative effects in the food chain, other adverse effects that may affect the designated use of the resource as well as the associated biota).

(5) Air exposure route - develop criteria for exposure to the contaminants in their unaffected state.

C. Risk Characterization - The purpose of the Risk Characterization is to utilize the results of the Exposure Assessment and the Toxicity Assessment to characterize cumulative risks to the affected population and the environment from contaminants found at the site. Based on contaminant levels presently found at the site, a risk and impact evaluation will be performed which considers, but is not limited to:

(1) Risks to human health and safety from the contamination including:

(a) carcinogenic risk, and

(b) non-carcinogenic risk.

(2) Effects on the public welfare of exposure to the contamination which may include but not be limited to adverse affects on actually and potentially used water resources.

(3) Environmental risks in areas which are or will be ultimately affected by the contamination including;

(a) other aquifers;

(b) surface waters;

(c) wetlands;

(d) sensitive wildlife habitats; and

(e) sensitive areas including, but not limited to, National Parks, National Wildlife Refuges, National Forests, State Parks, State Recreation Areas, State Preserves.

D. Justification for alternative Site Rehabilitation Levels (SRLs) or no action proposal. The purpose of this section

is to provide justification on a case-by-case basis for a no action proposal or for alternative SRLs that vary from Chapter 17-3, F.A.C. standards and minimum criteria for from any SRLs determined by the Department at which remedial action shall be deed completed. Factors to be evaluated shall be, at a minimum:

(1) The present and future uses of the affected aquifer and adjacent surface waters with particular consideration of the probability that the contamination is substantially affecting or will migrate to and substantially affect a public or private source of potable water;

(2) Potential for further degradation of the affected aquifer or degradation of other connected aquifers;

(3) The technical feasibility of achieving the SRLs based on a review of reasonably available technology;

(4) Individual site characteristics, including natural rehabilitative processes; and

(5) The results of the risk assessment. Applicable contaminant transport models must be employed to document that human health and environment risks from alternative and less stringent SRLs are acceptable.

11. The Department shall review the Risk Assessment/ Justification document and determine whether it has adequately addressed the risk assessment task elements. the Department shall review the justification section and determine whether the Department approves or disapproves the alternative SRLs or the no action proposal.

12. In the event that additional information is necessary to evaluate any portion of the Risk Assessment/Justification document, the Department shall make a written request and Respondent shall provide all requested information within 20 days of receipt of said request. If the Department does not approve the no action proposal of the alternative SRLs, the Respondent shall use the SRLs as determined by the Department. If the Department and Respondent agree to the remediation levels, either the SRLs determined by the Department or the alternative SRLs, the Respondent shall implement the Feasibility Study, if required by the Department as set forth in paragraph 13, or submit the Remedial Action Plan (RAP) as set forth in paragraph 18.

13. The Department shall also determine from review of the CAR and other relevant information whether the Respondent should prepare and submit a Feasibility Study (FS) to the Department. The FS will be required in complex cases to evaluate technologies and remedial alternatives, particularly if multiple contaminant classes are represented or multiple media are contaminated. The purpose of the FS is to evaluate remedial technologies and remedial alternatives in order to identify the most environmentally sound and effective remedial action to achieve clean up of the site to SRLs or alternative SRLs (if approved). The FS shall be completed within 60 days of written notice that a FS is required, unless the Respondent plans to submit a RAJ pursuant to paragraph 10. The FS shall include the following tasks:

(A) Identify and review pertinent treatment, contaminant, removal and disposal technologies;

(B) Screen technologies to determine the most appropriate technologies;

(C) Review and select potential remedial alternatives using the following criteria:

(1) long and short term environmental effects;

(2) implementability;

(3) capital costs;

(4) operation and maintenance costs;

(5) operation and maintenance requirements;

(6) reliability;

(7) feasibility;

(8) time required to achieve clean-up; and

(9) potential legal barriers to implementation of any of the alternatives.

(D) Identify the need for and conduct pilot tests or bench tests to evaluate alternatives, if necessary;

(E) Select the most appropriate remedial alternative;

(F) Develop soil cleanup criteria such that the contaminated soils will not produce a leachate which contains contaminants in excess of the SRLs or alternative SRLs (if approved).

14. Within 45 days of completing the FS, Respondent shall submit an FS Report to the Department. The FS Report shall:

A. Summarize all FS task results; and

B. Propose a conceptual remedial action plan based on the selection process carried out in the FS.

15. The Department shall review the FS Report for adequacy and shall determine whether the Department agrees with the proposed remedial action. In the event that additional information is necessary to evaluate the FS report, the Department shall make a written request and Respondent shall provide all requested information within 20 days of receipt of said request.

16. If the Department does not approve of the proposed remedial action, the Department will notify the Respondent in writing of the determination. The Respondent shall then have 20 days from the Department's notification to resubmit a proposed alternate remedial action.

17. If the Department determines upon review of the resubmitted remedial action proposal that it does not agrees with the proposal, the Department at its option, may choose to either:

A. Choose a remedial action alternative for the Respondent to carry out; or

B. Notify the Respondent that Respondent has failed to comply with paragraph 16 above, in which case the Department may do any or all of the following: take legal action to enforce compliance with the Order, file suit to recover damages and civil penalties, or complete the corrective actions outlined herein and recover the costs of completion from Respondent.

18. Within 45 days of receipt of written notice from the Department, Respondent shall submit to the Department a detailed Remedial Action Plan ("RAP"). The RAP shall be signed and sealed by a registered professional engineer in accordance with Chapter 471, Florida Statutes. The objective of the remedial action shall be to achieve the clean up of the contaminated areas to the SRLs or the approved alternative SRLs. The RAP shall include:

A. Rationale for the remedial action proposed which shall include at a minimum:

(1) Results from any pilot studies or bench tests;

(2) Evaluation results for the proposed remedial alternative based on the following criteria:

a. long and short term environmental impacts;

b. implementability, which may include, but not be limited to, ease of construction, site access, and necessity for permits;

c. operation and maintenance requirements;

d. reliability;

e. feasibility; and

f. costs.

(3) Soil cleanup criteria such that the contaminated soils will not produce a leachate which contains contaminants in excess of State Water Quality Standards or minimum criteria established in 17-3, F.A.C.

Subparagraph A requirements can be omitted if a Feasibility Study was required and approved by the Department.

B. Design and construction details and specifications for the remedial alternative selected;

C. Operational details of the remedial action including the disposition of any effluent, expected contaminant concentrations in the effluent, an effluent sampling schedule if treated ground water is being discharged to ground water or to surface waters, and the expected concentrations and quantities of any contaminants discharged into the air as a result of remedial action;

D. A separate QAPP document;

E. Details of the treatment or disposition of any contaminated soils or sediments;

F. Proposed methodology including post remedial action ground water monitoring as applicable for evaluation of the site status after the remedial action is complete to verify accomplishment of the objective of the RAP; and

G. Schedule for the completion of the remedial action.

19. The Department shall review the proposed RAP and provide Respondent with a written response to the proposal. Respondent shall not implement the RAP until Respondent receives written notification from the Department that the RAP has been approved.

20. In the event that additional information is necessary for the Department to evaluate the RAP, the Department shall make a written request to Respondent for the information, and Respondent shall provide all requested information in writing to

the Department within 20 days from receipt of said request unless the requested information requires additional field work in which case the Respondent shall submit in writing to the Department a reasonable schedule for completing the field work needed to provide the requested information.

21. In the event that the Department determines that the RAP submitted by the Respondent does not adequately address the objectives set forth in paragraph 18, the Department will notify the Respondent in writing of the RAP's deficiencies. The Respondent shall then have 20 days from the Department's notification to submit a modified RAP addressing the deficiencies noted by the Department.

22. If the Department determines upon review of the resubmitted RAP that the RAP still does not adequately address the objectives of the RAP, the Department, at its option, may choose to either:

A. Draft specific modifications to the RAP and notify the Respondent in writing that the Department's modifications shall be incorporated in the RAP; or

B. Notify the Respondent that Respondent has failed to comply with the paragraph 21 above, in which case the Department may do any or all of the following: take legal action to enforce compliance with the Order, file suit to recover damages and civil penalties, or complete the corrective actions outlined herein and recover the costs of completion from Respondent.

23. Once a RAP has been approved by the Department, it shall become effective and made a part of this Order and shall be implemented within ten days from receipt of the Department's notification to the respondent that the RAP has been approved. The RAP shall incorporate all required modifications to the proposed RAP identified by the Department.

24. Following termination of remedial action (clean up of the Contaminated area to the SRLs or the approved alternative SRLs), designated monitoring wells shall be sampled on a schedule determined by the Department.

25. Following completion of the remedial action and post-remedial action monitoring, the Respondent shall submit a Site Rehabilitation Completion Report (SRCR) to the Department for approval. The SRCR shall be signed and sealed by a registered Professional Engineer in accordance with Chapter 471, F.S., unless "no further action" or "monitoring-only" was proposed and was approved by the Department. The SRCR shall contain a demonstration, with supporting documentation, that site cleanup objectives have been achieved.

26. Within sixty (60) days of receipt of the SRCR, the Department shall approve the SRCR or make a determination that the SRCR does not contain sufficient information to support the demonstration that cleanup objectives have been achieved.

27. If the Department determines that the SRCR is not adequate based upon information provided, the Department will

notify the Respondent in writing. Site rehabilitation activities shall not be deemed completed until such time as the Department provides the Respondent with written notice that the SRCR is approved.

28. On the first working day of each month, after beginning implementation of a CAP or RAP, Respondent shall submit written progress reports to the Department. These progress reports shall describe the status of each required CAP and RAP task. The reports shall be submitted until planned tasks have been completed to the satisfaction of the Department.

29. Respondent shall provide written notification to the Department at least ten days prior to installing monitoring or recovery wells, and shall allow Department personnel the opportunity to observe the location and installation of the wells. All necessary approvals must be obtained from the water management district before Respondent installs the wells.

30. Respondent shall provide written notification to the Department at least ten (10) days prior to any sampling, and shall allow Department personnel the opportunity to observe sampling or to take split samples. Raw data shall be exchanged between the Respondent and the Department as soon as the data is available.

31. The Respondent is required to comply with all applicable local, state and federal regulations and to obtain any necessary approvals from local, state and federal authorities in carrying out these corrective actions.

32. If any event occurs which causes delay or the reasonable likelihood of delay in the achievement of the requirements of these Corrective Actions, Respondent shall have the burden of proving that the delay was or will be caused by circumstances beyond the reasonable control of Respondent, and could not have been or cannot be overcome by due diligence. Upon occurrence of the event Respondent shall promptly notify the Department orally and shall, within seven (7) calendar days, notify the Department in writing of the anticipated length and cause of delay, the measures taken or to be taken to prevent or minimize the delay, and the timetable by which Respondent intends to implement these measures. If the parties can agree that the delay or anticipated delay has been or will be caused by circumstances beyond the reasonable control of Respondent, the time for performance hereunder shall be extended for a period equal to the delay resulting from such circumstances. Such agreement shall be confirmed by letter from the Department accepting or if necessary modifying the extension request. Respondent shall adopt all reasonable measures necessary to avoid or minimize delay. Failure of Respondent to comply with the notice requirements of this paragraph shall constitute a waiver of Respondent's right to request an extension of time to complete the requirements of these corrective Actions. Increased costs of performance of any of the activities set forth in these Corrective Actions or changed economic circumstances shall not be considered circumstances beyond the control of Respondent.

33. Respondent shall immediately notify the Department of any problems encountered by Respondent which require modification of any task in the approved CAP or RAP, and obtain Department approval prior to implementing any such modified tasks.

34. Should the Department conclude that cleanup of the contaminated area to SRLs or approved alternative SRLs is not feasible; or should Respondent not completely implement the RAP as approved by the Department; the Department may seek restitution from Respondent for environmental damages resulting from pollution as a result of Respondent's actions. Within twenty (20) days of receipt of Department written notification of its intent to seek said restitution, Respondent may pay the amount of the damages or may, if it so chooses, initiate negotiations with the Department regarding the monetary terms of restitution to the state. Respondent is aware that should a negotiated sum or other compensation for environmental damages not be agreed to by the Department and Respondent within twenty (20) days of receipt of Department written notification of its intent to seek restitution, the Department may institute appropriate action, either administrative, through a notice of violation, or judicial, in a court of competent jurisdiction through a civil complaint, to seek to recover Department-assessed environmental damages pursuant to Section 403.141, Florida Statutes.

TRG

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

PETITION FOR A RATE INCREASE BY FLORIDA DIVISION OF

CHESAPEAKE UTILITIES CORPORATION

DOCKET NO. 000108-GU

MINIMUM FILING REQUIREMENTS

SECTION A – EXECUTIVE SUMMARY

SECTION B – RATE BASE

SECTION C – NET OPERATING INCOME

SECTION D – RATE OF RETURN

SECTION E – COST OF SERVICE

SECTION F – INTERIM RATE RELIEF

SECTION G – PROJECTED TEST YEAR

SECTION H – COST OF SERVICE

SECTION I – ENGINEERING STUDIES

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 000108-GU EXHIBIT NO. 6
COMPANY/ WITNESS: Chesapeake
DATE: 10-16-00

Doc. #05938-00 May 15

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO. 000108-GU
MINIMUM FILING REQUIREMENTS
INDEX

A

EXECUTIVE SUMMARY

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A-2	EXECUTIVE SUMMARY - ANALYSIS OF PERMANENT RATE INCREASE REQUESTED	3
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A-4	EXECUTIVE SUMMARY - ANALYSIS OF JURISDICTIONAL N. O. I.	5
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SCHEDULE A-1 | *EXECUTIVE SUMMARY* | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE MAGNITUDE OF CHANGE - PRESENT vs PRIOR RATE CASE.

TYPE OF DATA SHOWN:
HISTORIC TY LAST CASE: 06/30/89
PROJECTED TY LAST CASE: 06/30/91
PROJECTED TY CURRENT CASE: 12/31/01

WITNESS: WILLIAMS

		LAST RATE CASE							CURRENT RATE CASE			
		REQUESTED				AUTHORIZED			REQUESTED			
		(1)*	(2)*	(3)*	(4)*	(5)*	(6)*	(7)*	(8)*	(9)	(10)**	(11)**
LINE NO.	ITEM	HISTORICAL N/A	ATTRITION N/A	TOTAL N/A	PROJECTED TEST YEAR 06/30/91	HISTORICAL N/A	ATTRITION N/A	TOTAL	PROJECTED TEST YEAR 06/30/91	PROJECTED TEST YEAR 12/31/01	DOLLAR OR PERCENT DIFFERENCE	PERCENTAGE CHANGE
1	DOCKET NUMBER				891179-GU				891179-GU	000108-GU		
2	HISTORICAL DATA OR TEST YEAR				06/30/91				06/30/91			
3	PROJECTED TEST YEAR									12/31/01		
4	RATE INCREASE - PERMANENT				1,315,496				780,089	1,826,569	1,046,481	134.15%
5	RATE INCREASE - INTERIM				404,455				328,301	830,330	502,029	152.92%
6	JURISDICTIONAL RATE BASE BEFORE RATE RELIEF				12,790,281				11,635,330	21,321,700	9,686,370	83.25%
7	JURISDICTIONAL NET OPERATING INCOME BEFORE RATE RELIEF				568,024				1,155,388	807,219	(348,169)	-30.13%
8	RATE OF RETURN BEFORE RATE RELIEF				4.44%				5.82%	3.79%	-2.04%	-35.00%
9	SYSTEM CAPITALIZATION				12,790,281				11,635,330	21,321,700	9,686,370	83.25%
10	OVERALL RATE OF RETURN				10.73%				9.93%	8.69%	-1.04%	-10.47%
11	COST OF LONG-TERM DEBT				9.28%				10.18%	7.63%	-2.55%	-25.05%
12	COST OF PREFERRED STOCK				N/A				N/A	N/A	N/A	N/A
13	COST OF SHORT-TERM DEBT				11.08%				11.08%	6.03%	-5.05%	-45.58%
14	COST OF CUSTOMER DEPOSITS				6.48%				8.48%	6.44%	-2.04%	-24.06%
15	COST OF COMMON EQUITY				13.80%				13.00%	12.00%	-1.00%	-7.69%
16	NUMBER OF CUSTOMERS - AVERAGE				8,141				7,304	11,781	4,477	61.30%
17	DATE NEW PERMANENT RATES EFFECTIVE											

(A) AS DETERMINED BY THE "FILE AND SUSPEND" PROVISIONS OF SECTION 366.06 (4), FLORIDA STATUTES.

* IF COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, *COMPLETE COLUMNS (1) - (3)* AND COLUMNS (5) - (7) UNDER THE HEADING "LAST RATE CASE". IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, COMPLETE COLUMNS (4) AND (8) UNDER THE HEADING "LAST RATE CASE".

** IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, *THIS CALCULATION* WILL BE THE DIFFERENCE BETWEEN COLUMN (9) AND COLUMN (7). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (9) AND COLUMN (8).

SUPPORTING SCHEDULES: F-7, G-1 p.1, G-2 p.1, G-3 p.1, G-6

RECAP SCHEDULES:

SCHEDULE A-2 | EXECUTIVE SUMMARY | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING AN ANALYSIS OF PERMANENT RATE INCREASE REQUESTED

TYPE OF DATA SHOWN
PROJECTED TY LAST CASE: 06/30/91
PROJECTED TY CURRENT CASE: 12/31/01

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

WITNESS: WILLIAMS

LINE NO.	DESCRIPTION	INCREASE IN GROSS REVENUE DOLLARS	% OF TOTAL
1	RESTORE ADJUSTED NET OPERATING INCOME TO PREVIOUSLY ALLOWED OVERALL RATE OF RETURN OF 9.93%	1,179,397	64.57%
2	REDUCTION IN REQUESTED OVERALL RATE OF RETURN OF 9.93% TO 8.89%	(372,178)	-20.38%
3	EFFECT OF PROJECTED TEST YEAR	1,019,350	55.81%
4	TOTAL PERMANENT RATE INCREASE REQUESTED	1,826,569	100.00%

SUPPORTING SCHEDULES: D-1 p.1, G-3 p.1, G-6

RECAP SCHEDULES:

SCHEDULE A-3 | EXECUTIVE SUMMARY | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING AN ANALYSIS OF JURISDICTIONAL RATE BASE

TYPE OF DATA SHOWN:
HISTORIC TY LAST CASE: 06/30/89
PROJECTED TY LAST CASE: 06/30/91
PROJECTED TY CURRENT CASE: 12/31/01

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

WITNESS: WILLIAMS

		RATE BASE DETERMINED BY COMMISSION IN LAST RATE CASE				RATE BASE REQUESTED BY COMPANY IN CURRENT RATE CASE		
		(1)*	(2)*	(3)*	(4)*	(5)	(6)**	(7)**
LINE NO.	ITEM	HISTORIC N\A	ATTRITION N\A	TOTAL	PROJECTED TEST YEAR 06/30/91	PROJECTED TEST YEAR 12/31/01	DOLLAR DIFFERENCE	PERCENT DIFFERENCE
	UTILITY PLANT							
1	PLANT IN SERVICE	$0	$0	$0	$14,234,239	$31,848,455	$17,614,216	123.75%
2	CONSTRUCTION WORK IN PROGRESS	0	0	0	305,169	0	(305,169)	-100.00%
3	UTILITY PLANT ACQUISITION ADJUSTMENT	0	0	0	632,831	0	(632,831)	-100.00%
4	GROSS UTILITY PLANT	0	0	0	15,172,239	31,848,455	16,676,216	109.91%
	DEDUCTIONS							
5	ACCUMULATED DEPRECIATION	0	0	0	(2,326,731)	(10,612,182)	(8,285,451)	356.10%
6	ACCUMULATED AMORTIZATION	0	0	0	(276,878)	0	276,878	-100.00%
7	LIMITED TERM UTILITY PLANT	0	0	0	0	0	0	0.00%
8	ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0.00%
9	CUSTOMER ADVANCES FOR CONSTRUCTIC	0	0	0	(75,728)	(267,828)	(192,100)	253.67%
10	TOTAL DEDUCTIONS	0	0	0	(2,679,337)	(10,880,010)	(8,200,673)	306.07%
11	NET UTILITY PLANT	0	0	0	12,492,902	20,968,445	8,475,543	67.84%
12	ALLOWANCE FOR WORKING CAPITAL	0	0	0	297,379	353,256	55,877	18.79%
13	RATE BASE	$0	$0	$0	$12,790,281	$21,321,700	$8,531,419	66.70%

* IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, COMPLETE COLUMNS (1) - (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, COMPLETE COLUMN (4).

** IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (4).

SUPPORTING SCHEDULES: G-1 p.1

RECAP SCHEDULES:

SCHEDULE A-4 | EXECUTIVE SUMMARY | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING AN ANALYSIS OF JURISDICTIONAL NET OPERATING INCOME

TYPE OF DATA SHOWN:
HISTORIC TY LAST CASE: 06/30/89
PROJECTED TY LAST CASE: 06/30/91
PROJECTED TY CURRENT CASE: 12/31/01

COMPANY: *FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.*

DOCKET NO.: 000108-GU

WITNESS: WILLIAMS

		NET OPERATING INCOME AS DETERMINED BY COMMISSION IN LAST RATE CASE				NOI REQUESTED BY COMPANY IN CURRENT CASE		
		(1)*	(2)*	(3)*	(4)*	(5)***	(6)**	(7)**
LINE NO.	ITEM	HISTORIC N/A	ATTRITION N/A	TOTAL	PROJECTED TEST YEAR 06/30/91	PROJECTED TEST YEAR 12/31/01	DOLLAR DIFFERENCE	PERCENT DIFFERENCE
1	OPERATING REVENUES (A)	$0	$0	$0	$5,291,021	$9,517,638	$4,226,617	79.86%
	OPERATING REVENUE DEDUCTIONS:							
2	COST OF GAS				0	0		
3	*OPERATING & MAINTENANCE EXPENSE*	0	0	0	2,697,231	4,617,575	1,920,344	71.20%
4	DEPRECIATION EXPENSE	0	0	0	524,388	1,271,763	747,375	142.52%
5	AMORTIZATION EXPENSE	0	0	0	75,781	101,385	25,604	33.79%
6	TAXES OTHER THAN INCOME	0	0	0	422,893	1,155,218	732,325	173.17%
7	INCOME TAXES (FEDERAL & STATE)	0	0	0	396,172	(599,501)	(995,673)	-251.32%
8	*DEFERRED TAXES (FEDERAL & STATE)*	0	0	0	19,168	39,244	20,076	104.74%
9	INVESTMENT TAX CREDITS	0	0	0	0	(19,523)	(19,523)	N/A
10	TOTAL OPERATING REVENUE DEDUCTIONS	0	0	0	4,135,633	6,566,161	2,430,526	58.77%
11	*NET OPERATING INCOME (B)*	$0	$0	$0	$1,155,388	$2,951,477	$1,796,089	155.45%

(A) EXCLUDES FUEL REVENUE
(B) *BEFORE RATE RELIEF*

* IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, COMPLETE COLUMNS (1) - (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, COMPLETE COLUMN (4).

** IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (4).

*** Excludes Fuel Revenues

SUPPORTING SCHEDULES: G-2 p.1

RECAP SCHEDULES:

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING OVERALL RATE OF RETURN COMPARISON

TYPE OF DATA SHOWN:
PROJECTED TY LAST CASE: 06/30/91
PROJECTED TY CURRENT CASE: 12/31/01

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES

DOCKET NO.: 000108-GU

WITNESS: WILLIAMS

LINE NO.	ITEM	DOLLARS	RATIO	EMBEDDED COST	WEIGHTED COST	DOLLARS	RATIO	EMBEDDED COST	WEIGHTED COST
						PROJECTED TEST YEAR 12/31/01 (REQUESTED)			
	DOCKET NO. 891179-GU ORDER NO. 23166 *LAST RATE CASE (AUTHORIZED)*								
1	LONG-TERM DEBT -FIXED	$2,219,746	19.08%	10.18%	1.94%	$6,377,973	29.91%	7.52%	2.25%
2	LONG-TERM DEBT - VARIABLE	$2,004,353	17.23%	8.29%	1.43%	$0	0.00%	0.00%	0.00%
3	FLEX RATE LIABILITY	$0	0.00%	0.00%	0.00%	$46,880	0.22%	6.30%	0.01%
4	SHORT-TERM DEBT	$455,716	3.92%	11.08%	0.43%	$2,119,103	9.94%	6.03%	0.60%
5	CUSTOMER DEPOSITS	$338,583	2.91%	8.48%	0.25%	$789,257	3.70%	6.44%	0.24%
6	COMMON EQUITY	$5,263,634	45.24%	13.00%	5.88%	$10,289,296	48.26%	12.00%	5.79%
7	TAX CREDITS	$484,098	4.16%	0.00%	0.00%	$306,978	1.44%	0.00%	0.00%
8	DEFERRED TAXES	$869,201	7.47%	0.00%	0.00%	$1,392,213	6.53%	0.00%	0.00%
9	TOTAL CAPITALIZATION	$11,635,331	100.00%		9.93%	$21,321,700	100.00%		8.89%

SUPPORTING SCHEDULES: G-3 p. 1

RECAP SCHEDULES:

SCHEDULE A-6 | EXECUTIVE SUMMARY | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SUMMARY OF FINANCIAL INDICATORS AS SPECIFIED BELOW FOR THE HISTORIC DATA BASE YEAR OF THE LAST RATE CASE, HISTORIC DATA BASE YEAR FOR THIS CASE, AND THE YEAR IMMEDIATELY FOLLOWING THE PRESENT HISTORIC DATA BASE YEAR.

TYPE OF DATA SHOWN:
TY YR LAST CASE: 06/30/91
HIS. BASE YR DATA CURRENT: 12/31/99
BASE YR + 1 CURRENT CASE: 12/31/00
PROJECTED TY CURRENT CASE: 12/31/01
WITNESS: WILLIAMS

LINE NO	INDICATORS	(1) DATA FROM HISTORIC BASE YR OR TY RELATED TO COMPANY'S PRIOR CASE	(2) DATA FROM HISTORIC BASE YEAR RELATED TO COMPANY'S CURRENT CASE	(3) YEAR AFTER CURRENT HISTORIC BASE YEAR WITHOUT ANY RATE INCREASE	(4) PROJECTED TEST YEAR WITHOUT ANY RATE INCREASE	(5) PROJECTED TEST YEAR INCLUDING REQUESTED RATE INCREASE
	INTEREST COVERAGE RATIOS:					
1	INCLUDING AFUDC IN INCOME BEFORE INTEREST CHARGES	2.58	2.57	0.95	0.82	3.58
2	EXCLUDING AFUDC FROM INCOME BEFORE INTEREST CHARGES	2.58	2.57	0.95	0.82	3.58
	OTHER FINANCIAL RATIOS:					
3	AFUDC AS A PERCENT OF INCOME AVAILABLE FOR COMMON	0.00%	0.00%	0.00%	0.00%	0.00%
4	PERCENT OF CONSTRUCTION FUNDS GENERATED INTERNALLY	46.82%	68.96%	21.60%	41.68%	84.38%
	PREFERRED DIVIDEND COVERAGE:					
5	INCLUDING AFUDC	N/A	N/A	N/A	N/A	N/A
6	EXCLUDING AFUDC	N/A	N/A	N/A	N/A	N/A
	RATIO OF EARNINGS TO FIXED CHARGES***:					
7	INCLUDING AFUDC	70.96%	89.54%	20.74%	39.68%	116.15%
8	EXCLUDING AFUDC	70.96%	89.54%	20.74%	39.68%	116.15%
***	ASSUMES DEPRECIATION & INTEREST IN CALCULATION					
	EARNINGS PER SHARE:					
9	INCLUDING AFUDC	$0.98	$1.57	$1.57	$1.57	$1.57
10	EXCLUDING AFUDC	$0.98	$1.57	$1.57	$1.57	$1.57
11	DIVIDENDS PER SHARE	$0.83	$1.02	$1.04	$1.04	$1.04

SUPPORTING SCHEDULES: D-11 p.1-3, G-3 p.9-11

RECAP SCHEDULES:

B

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO. 000108-GU
MINIMUM FILING REQUIREMENTS
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FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
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SCHEDULE B-1

13-MONTH AVERAGE BALANCE SHEET

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING THE 13-MONTH AVERAGE BALANCE SHEETS BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	ASSETS	(1) Dec-98	(2) Jan-99	(3) Feb-99	(4) Mar-99	(5) Apr-99	(6) May-99	(7) Jun-99	(8) Jul-99	(9) Aug-99	(10) Sep-99	(11) Oct-99	(12) Nov-99	(13) Dec-99	13 MONTH AVERAGE
1	GAS PLANT IN SERV.	$24,483,090	$24,492,960	$24,641,442	$24,735,200	$24,726,065	$24,807,491	$24,898,920	$25,345,970	$25,447,530	$26,206,214	$26,245,397	$26,252,039	$26,482,696	$25,289,616
2	PLANT HELD FOR FUT.USE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
3	CWIP	$138,903	$147,217	$268,670	$478,193	$746,525	$1,021,361	$1,294,367	$1,063,842	$1,400,405	$926,203	$1,242,191	$1,510,073	$1,822,064	$927,693
4	GAS PLANT ACQ. ADJ.	$787,421	$787,420	$787,420	$787,421	$787,420	$787,420	$787,421	$787,420	$787,420	$787,421	$787,420	$787,420	$632,831	$775,529
5	GROSS UTILITY PLANT	$25,409,414	$25,427,597	$25,697,532	$26,000,814	$26,260,010	$26,616,272	$26,980,708	$27,197,232	$27,635,355	$27,919,838	$28,275,008	$28,549,532	$28,937,591	$26,992,839
6	ACCUM. PROVISION FOR DEPR.	($8,399,487)	($8,468,207)	($8,562,388)	($8,652,726)	($8,705,370)	($8,788,992)	($8,854,512)	($8,941,623)	($9,042,298)	($9,098,531)	($9,199,803)	($9,298,000)	($9,286,262)	($8,869,092)
7	NET PLANT	$17,009,927	$16,959,390	$17,135,144	$17,348,088	$17,554,640	$17,827,280	$18,126,196	$18,255,609	$18,593,057	$18,821,307	$19,075,205	$19,251,532	$19,651,329	$18,123,746
8	INVESTMENT IN SUBSIDIARY CO.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
9	SINKING FUNDS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10	NON UTILITY PROPERTY	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11	TOTAL PROPERTY & INVEST.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
12	CASH	$136,691	$417,486	$29,575	$159,192	$392,741	$200,824	($28,596)	$41,956	($170,972)	$386,402	$189,559	$363,338	$462,271	$198,497
13	SPECIAL DEPOSITS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
14	WORKING FUNDS & CASH INVEST.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
15	TEMP CASH INVESTMENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
16	NOTES RECEIVABLE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
17	ACCOUNTS REC.- SERVICE	$79,278	$83,303	$90,178	$40,691	$98,019	$85,646	$86,127	$91,012	$110,424	$108,333	$161,712	$129,642	$765,744	$148,470
18	CUST. ACCTS. REC.-GAS	$1,266,245	$1,814,695	$1,704,672	$1,611,593	$1,448,412	$1,534,700	$1,370,584	$1,090,716	$1,327,212	$1,113,824	$1,584,518	$1,748,662	$1,894,583	$1,500,809
19	UNBILLED REVENUE	$181,362	$181,362	$181,362	$188,949	$188,949	$188,949	$136,009	$136,009	$136,009	$110,483	$110,483	$110,483	$196,361	$157,444
20	ACCOUNTS REC.- MISC	$480,081	$477,787	$476,118	$473,275	$470,500	$467,710	$465,143	$463,162	$461,335	$459,340	$458,680	$455,262	$503,448	$470,142
21	MDSE,JOBBING & OTHER	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
22	ACCUM. PROV. UNCOLLECT. ACCTS.	($33,291)	($32,585)	($33,023)	($35,157)	($31,140)	($30,257)	($30,525)	($29,207)	($29,869)	($29,715)	($31,279)	($33,414)	($33,950)	($31,801)
23	RECEIVABLE ASSOC. COMPANIES	($4,233,528)	($4,757,116)	($4,376,162)	($4,387,738)	($4,649,730)	($4,816,722)	($4,613,966)	($4,648,733)	($4,845,036)	($5,607,323)	($5,565,901)	($6,373,627)	($6,812,965)	($5,052,965)
24	PLANT & OPER.MATERIAL & SUPPL.	$295,829	$298,297	$325,106	$335,140	$303,339	$360,611	$364,339	$374,336	$411,258	$373,289	$411,091	$489,047	$379,394	$363,160
25	MDSE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
26	STORES EXPENSE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
27	PREPAYMENTS	$87,382	$77,565	$77,644	$75,977	$87,163	$78,076	$74,237	$86,445	$82,046	$82,153	$95,822	$88,949	$160,386	$88,757
28															
29	TOTAL CURR.& ACCR. ASSETS	($1,739,951)	($1,439,206)	($1,524,530)	($1,538,078)	($1,691,747)	($1,930,463)	($2,176,848)	($2,394,304)	($2,517,593)	($3,003,214)	($2,585,315)	($3,021,658)	($2,484,628)	($2,157,487)
30	UNAMORT. DD&E	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
31	MISC. DEFERRED DEBITS	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$88,004	$120,404
32	CONSERVATION	$106,554	$76,011	$84,666	$62,350	$61,190	$48,689	$84,987	$92,108	$93,052	$88,080	$95,928	$90,719	$106,181	$83,886
33	CLEARING ACCTS	$56	($20,469)	($21,566)	($23,867)	($26,522)	($9,932)	($7,338)	($10,070)	($7,916)	($7,256)	($14,082)	($4,548)	$56,938	($7,429)
34	OTHER WIP-ENVIROMENTAL MATTERS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
35	UNAMORT. RATE CASE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
36	UNRECOVERED GAS COST	$93,741	$35,199	$48,683	$22,669	$63,470	($46,058)	($120,771)	($71,948)	($52,214)	($60,596)	($97,825)	$99,654	($51,144)	($10,549)
37	TOTAL DEFERRED CHARGES	$323,455	$213,845	$234,887	$184,256	$221,242	$115,803	$79,982	$133,194	$156,026	$143,332	$107,125	$308,929	$199,979	$186,312
38	TOTAL ASSETS	$15,593,431	$15,734,029	$15,845,501	$15,994,266	$16,084,135	$16,012,620	$16,029,530	$15,994,499	$16,231,490	$15,961,425	$16,597,015	$16,538,803	$17,366,680	$16,152,571

NG SCHEDULES: B-4, C-8

RECAP SCHEDULES: B-2

5/10/00
10:18 AM

SCHEDULE B-1 | 13-MONTH AVERAGE BALANCE SHEET | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING THE 13-MONTH AVERAGE BALANCE SHEETS BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	CAPITALIZATION & LIABILITIES	(1) Dec-98	(2) Jan-99	(3) Feb-99	(4) Mar-99	(5) Apr-99	(6) May-99	(7) Jun-99	(8) Jul-99	(9) Aug-99	(10) Sep-99	(11) Oct-99	(12) Nov-99	(13) Dec-99	13 MONTH AVERAGE
1	COMMON STOCK	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2	ADDITIONAL CAPITAL	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
3	UNAPPROPRIATED RET. EARN.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
4	UNDISTRIBUTED SUBS.EARN.	$11,216,456	$11,374,166	$11,451,415	$11,529,635	$11,602,979	$11,642,160	$11,613,491	$11,572,427	$11,542,688	$11,504,333	$11,519,464	$11,546,378	$11,809,982	$11,532,736
5	TOTAL STOCKHOLDERS EQUITY	$11,216,456	$11,374,166	$11,451,415	$11,529,635	$11,602,979	$11,642,160	$11,613,491	$11,572,427	$11,542,688	$11,504,333	$11,519,464	$11,546,378	$11,809,982	$11,532,736
6	FM BONDS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
7	LONG TERM NOTES	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
8	OTHER LT DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
9	TOTAL LONG TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10	NOTES PAYABLE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11	ACCOUNTS PAYABLE	$980,520	$831,908	$759,674	$788,866	$763,660	$555,689	$553,281	$551,554	$733,587	$605,185	$1,159,530	$972,297	$1,667,026	$840,214
12	ACCOUNTS PAY. ASSOC. CO.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
13	CUSTOMER DEPOSITS-REFUNDS	$6	$0	$0	($730)	($661)	($664)	($663)	($823)	$23,277	$0	($904)	$0	($2,830)	$1,231
14	CUSTOMER DEPOSITS-ACCOUNTS PAY.	$618,904	$617,448	$623,905	$623,919	$620,487	$622,876	$627,547	$625,669	$630,652	$632,271	$635,472	$643,173	$638,642	$627,767
15	TAXES ACCRUED-GENERAL	$64,117	$105,993	$158,942	$158,790	$210,786	$267,649	$245,324	$260,627	$322,206	$322,350	$391,515	$379,405	$93,913	$229,355
16	TAXES ACCRUED-INCOME	($41,036)	$54,162	$100,722	$147,916	$133,294	$156,933	$58,299	$33,293	$15,581	($60,255)	($51,126)	$3,180	$130,618	$52,429
17	INTEREST ACCRUED	$8	$3,108	$6,520	$9,689	$13,740	$17,015	$20,131	$23,195	$26,369	$29,558	$32,781	$35,741	($4)	$16,758
18	DIVIDENDS DECLARED	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
19	TAX COLLECTIONS PAYABLE	$88,718	$63,350	$70,953	$88,608	$72,446	$83,998	$93,427	$82,208	$91,460	$81,714	$60,070	$78,306	$98,244	$81,039
20	INACTIVE DEPOSITS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
21	CONSERVATION COST TRUE-UP	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
22	MISC. CURRENT LIABILITIES	$587,594	$599,877	$585,692	$559,816	$586,119	$585,122	$584,654	$611,523	$610,517	$608,399	$611,555	$641,334	$742,308	$608,808
23	TOTAL CURR.& ACCRUED LIAB.	$2,298,831	$2,275,846	$2,306,408	$2,376,874	$2,399,871	$2,288,618	$2,182,000	$2,187,246	$2,453,649	$2,219,222	$2,838,893	$2,753,436	$3,367,917	$2,457,601
24	CUSTOMER ADVANCES FOR CONST.	$112,996	$115,641	$116,082	$112,936	$113,908	$113,908	$265,548	$265,548	$265,548	$267,708	$267,708	$267,828	$267,828	$196,399
25	OTHER DEFERRED CREDITS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
26	ACCUMULATED DEFERRED INC. TAX	$1,372,484	$1,372,484	$1,372,484	$1,372,484	$1,372,484	$1,372,484	$1,372,484	$1,372,484	$1,372,484	$1,372,484	$1,372,484	$1,372,484	$1,349,940	$1,370,750
27	DEF. INVESTMENT TAX CREDIT	$347,526	$347,526	$347,526	$347,526	$347,526	$347,526	$347,526	$347,526	$347,526	$347,526	$347,526	$347,526	$326,003	$346,024
28	TOTAL DEFERRED CREDITS-	$1,833,006	$1,835,651	$1,836,092	$1,832,946	$1,833,918	$1,833,918	$1,985,558	$1,985,558	$1,985,558	$1,987,718	$1,987,718	$1,987,838	$1,945,771	$1,913,173
29	PENSIONS & BENEFITS RESERVE	$245,138	$248,366	$251,586	$254,811	$247,367	$247,924	$248,481	$249,268	$249,595	$250,152	$250,940	$251,151	$243,010	$249,061
30	TOTAL OPERATING RESERVES	$2,078,144	$2,084,017	$2,087,678	$2,087,757	$2,081,285	$2,081,842	$2,234,039	$2,234,826	$2,235,153	$2,237,870	$2,238,658	$2,238,989	$2,188,781	$2,162,234
31	TOTAL CAPITAL. & LIAB.	$15,593,431	$15,734,029	$15,845,501	$15,994,266	$16,084,135	$16,012,620	$16,029,530	$15,994,499	$16,231,490	$15,961,425	$16,597,015	$16,538,803	$17,366,680	$16,152,571

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-2

5/10/00
10:16 AM

SCHEDULE B-2

RATE BASE - 13 MONTH AVERAGE

PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE RATE BASE AS ADJUSTED FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO 000108-GU

LINE NO.	UTILITY PLANT	AVERAGE PER BOOKS	ADJUSTMENT	ADJUSTED AVERAGE
1	PLANT IN SERVICE	$25,289,616	($23,702)	$25,265,914
2	COMMON PLANT ALLOCATED	$0	($87,326)	($87,326)
3	ACQUISITION ADJUSTMENT	$775,529	($775,529)	($0)
4	PROPERTY HELD FOR FUTURE USE	$0	$0	$0
5	CONSTRUCTION WORK IN PROGRESS	$927,693	$0	$927,693
6	TOTAL PLANT	$26,992,839	($886,557)	$26,106,282
	DEDUCTIONS			
7	CUSTOMER ADVANCES FOR CONST	($196,399)	$0	($196,399)
8	ACCUM. DEPR. - UTILITY PLANT	($8,179,074)	$12,550	($8,166,524)
9	ACCUM. DEPR. - COMMON PLANT	$0	$38,988	$38,988
10	ACCUM. AMORT INC TAX ON ACQ. ADJ.	($105,344)	$105,344	$0
11	ACCUM. AMORT.-PCNG	($117,866)	$117,866	$0
12	ACCUM. AMORT.-OLD APP. ACQ. ADJ.	($5,543)	$5,543	$0
13	ACCUM. AMORT.-UNAPP. ACQ ADJ.	($461,266)	$461,266	$0
14	TOTAL DEDUCTIONS	($9,065,492)	$741,557	($8,323,935)
15	PLANT NET	$17,927,347	($145,000)	$17,782,347
	ALLOWANCE FOR WORKING CAPITAL			
16	BALANCE SHEET METHOD	($6,591,010)	$7,089,237	$498,227
17	TOTAL RATE BASE	$11,336,337	$6,944,237	$18,280,574
18	NET OPERATING INCOME	$1,157,828	($116,167)	$1,041,661
19	RATE OF RETURN	10.21%		5.70%

SUPPORTING SCHEDULES: B-1, B-3, B-4, B-5, B-6, B-7, B-8, B-9, B-10, B-11, B-12, B-13, C-1

RECAP SCHEDULES:

8/10/00
10:21 AM

SCHEDULE B-3 | RATE BASE ADJUSTMENTS | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO 000108-GU

EXPLANATION: LIST AND EXPLAIN ALL PROPOSED ADJUSTMENT TO THE 13-MONTH RATE BASE FOR THE HISTORIC BASE YEAR. CALCULATE THE REVENUE IMPACT OF EACH ADJUSTMENT, ASSUMING THE REQUESTED RATE OF RETURN AND EXPANSION FACTOR REMAIN CONSTANT.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

ADJ. NO.	ADJUSTMENT TITLE	REASON FOR ADJUSTMENT	ADJUSTMENT AMOUNT	NON-UTILITY AMOUNT	REGULATED AMOUNT	INCREASE (DECREASE) IN REVENUE REQUIREMENT
	UTILITY PLANT IN SERVICE					
1	Eliminate Acquisition Adjustment		($775,529)	$0	($775,529)	($158,198)
2	Eliminate 2nd Story Office Bldg.		($23,702)	$0	($23,702)	($4,774)
3	Eliminate Common Plant		($87,326)	($87,326)	$0	($17,588)
4			$0	$0	$0	$0
5		TOTAL	($886,557)	($87,326)	($799,231)	($178,560)
	ACCUM. DEPR.-UTILITY PLANT					
6	Eliminate Acquisition Adjustment		$690,019	$0	$690,019	$138,975
7	Eliminate 2nd Story Office Bldg.		$7,407	$0	$7,407	$1,492
8	Eliminate Franchise\Consent		$5,143	$0	$5,143	$1,036
9	Eliminate Depreciation Reserve-Common Plant		$38,988	$38,988	$0	$7,852
10		TOTAL	$741,557	$38,988	$702,569	$149,355
	ALLOWANCE FOR WORKING CAPITAL					
11	(SEE SCHEDULE B-13 FOR DETAIL)		$7,089,237	($93,388)	$7,182,625	$1,446,638
12	TOTAL RATE BASE ADJUSTMENTS		$6,944,237	($141,726)	$7,085,963	$1,417,433

SUPPORTING SCHEDULES: B-1, B-4, B-5, B-6, B-7, B-8, B-9, B-10, B-11, B-12, B-13

RECAP SCHEDULES: B-2

SCHEDULE B-4

MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE MONTHLY PLANT BALANCES FOR EACH ACCOUNT OR SUB-ACCOUNT FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	13 MONTH AVERAGE
1	301	ORGANIZATION	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328
2	302	FRANCHISE AND CONSENT	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124
3	303	MISC INTANGIBLE PLANT	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616
4	374	LAND AND LAND RIGHTS	36,635	36,635	36,635	36,635	36,635	36,635	36,635	36,635	36,635	36,635	36,635	36,635	28,635	36,020
5	375	STRUCTURES AND IMPROVEMENTS	229,035	231,356	231,356	231,356	231,356	231,356	233,056	233,056	233,056	233,056	233,056	233,056	233,056	232,093
6	376	MAINS (STEEL)	10,115,521	10,115,284	10,115,284	10,115,284	10,114,228	10,132,782	10,132,700	10,146,195	10,146,195	10,497,351	10,497,318	10,497,318	10,444,401	10,236,143
7	376	MAINS (PLASTIC)	3,048,451	3,048,451	3,049,390	3,113,879	3,113,879	3,113,879	3,113,259	3,385,180	3,403,620	3,754,737	3,754,737	3,754,737	4,000,202	3,358,031
8	378	M & R EQUIPMENT - GENERAL	541,331	541,331	541,331	543,912	546,461	547,934	541,542	553,329	553,329	558,232	558,232	558,232	574,617	550,755
9	379	M & R EQUIPMENT - CITY	974,704	974,704	1,048,704	1,046,177	1,046,177	1,046,177	1,046,177	1,130,234	1,130,234	1,185,040	1,185,040	1,157,559	1,096,891	1,082,140
10	379	M & R EQUIPMENT - CITY(CIAC)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	380	DIST PLANT SERVICES (STEEL)	1,079,991	1,079,113	1,077,913	1,076,133	1,073,020	1,072,710	1,072,428	1,069,919	1,069,356	1,069,356	1,068,053	1,068,053	1,064,637	1,072,360
12	380	DIST PLANT - SERVICES(CIAC)	(112,196)	(112,196)	(112,196)	(112,196)	(112,196)	(112,196)	(112,196)	(112,196)	(112,196)	(112,196)	(112,196)	(112,196)	(112,196)	(112,196)
13	380	DIST PLANT-SERVICES(PLASTIC)	1,812,808	1,825,184	1,856,960	1,869,806	1,880,508	1,897,295	1,906,704	1,925,050	1,938,443	1,962,336	1,996,713	2,022,672	2,052,978	1,919,035
14	381	METERS	959,217	961,211	961,721	968,671	975,207	984,762	997,106	1,002,284	1,006,087	1,009,674	1,012,260	1,015,933	1,053,519	992,896
15	382	METER INSTALLATIONS	648,789	649,882	652,565	650,822	652,597	652,607	658,662	660,264	662,447	663,683	665,865	667,229	672,495	658,301
16	383	REGULATORS	686,684	689,134	689,702	696,437	696,437	696,437	696,437	704,498	711,831	715,821	715,821	718,948	716,768	702,689
17	384	REGULATOR INSTALL HOUSE	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	385	M & R EQUIPMENT - INDUSTRIAL	1,388,836	1,388,836	1,388,836	1,388,836	1,388,836	1,388,836	1,388,836	1,394,175	1,394,772	1,403,361	1,403,361	1,403,361	1,403,361	1,394,173
19	385	M & R EQUIPMENT - INDUS. CIAC	(147,019)	(147,019)	(147,019)	(147,019)	(147,019)	(147,019)	(147,019)	(147,019)	(147,019)	(147,019)	(147,019)	(147,019)	(147,019)	(147,019)
20	387	OTHER EQUIPMENT	212,721	212,721	212,721	212,721	214,858	214,858	234,303	234,303	248,012	249,950	251,325	251,325	269,950	232,290
21	389	LAND AND LAND RIGHTS	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285
22	390	STRUCTURES AND IMPROVEMENTS	334,301	332,870	332,870	332,870	332,870	334,386	334,386	334,386	334,386	334,386	334,386	334,386	334,386	333,913
23	391.1	DATA PROCESSING EQUIPMENT	112,333	112,333	118,112	125,815	125,815	125,815	125,815	125,815	125,815	130,420	130,420	130,420	130,420	124,565
24	391.2	OFFICE FURNITURE	84,452	84,452	84,452	84,452	84,452	84,452	84,452	84,452	84,452	84,452	84,452	84,452	85,961	84,568
25	391.3	OFFICE EQUIPMENT	73,088	73,088	75,738	75,738	75,738	75,738	75,738	75,738	75,738	75,738	75,738	75,738	77,135	75,438
26	391.4	VAX SYSTEM EQUIPMENT	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151
27	392.3	TRANSPORTATION OTHER	767,523	759,704	784,125	785,120	754,948	777,144	826,998	856,770	887,790	836,652	836,652	836,652	836,652	811,287
28	393	STORES EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	394	TOOLS AND WORK EQUIPMENT	71,842	71,842	78,199	75,710	77,215	77,215	77,215	77,215	77,215	77,215	77,215	77,215	77,215	76,348
30	396	POWER OPERATED EQUIPMENT	268,646	268,646	268,646	268,646	268,646	280,290	280,290	280,290	291,935	291,935	291,935	291,935	291,935	280,290
31	397	COMMUNICATION EQUIPMENT	29,484	29,484	29,484	29,484	29,484	29,484	29,484	29,484	29,484	29,484	29,484	29,484	30,784	29,584
32	397	COMMUNICATION EQUIPMENT	29,326	29,326	29,326	29,326	29,326	29,326	29,326	29,326	29,326	29,326	29,326	29,326	29,326	29,326
33	398	MISC. EQUIPMENT	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083
			0	0	0	0	0	0	0	0	0	0	0	0	0	0
34		UTILITY PLANT IN SERVICE	24,483,090	24,492,960	24,641,442	24,735,200	24,726,065	24,807,491	24,898,920	25,345,970	25,447,530	26,206,214	26,245,397	26,252,039	26,482,896	25,289,617
35			0	0	0	0	0	0	0	0	0	0	0	0	0	0
36		TOTAL UTILITY PLANT	$24,483,090	$24,492,960	$24,641,442	$24,735,200	$24,726,065	$24,807,491	$24,898,920	$25,345,970	$25,447,530	$26,206,214	$26,245,397	$26,252,039	$26,482,896	$25,289,617

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-1, B-2, B-3

SCHEDULE B-5 | ALLOCATION OF COMMON PLANT | PAGE 1 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE REGULATED AND NON-REGULATED ITEMS OF COMMON PLANT WITH THE 13 MONTH AVERAGE OF THE HISTORIC BASE YEAR SEGREGATED BY THE AMOUNTS ACCORDING TO REGULATED AND NON-REGULATED ITEMS. THE METHOD OF ALLOCATING BETWEEN REGULATED AND NON-REGULATED PORTIONS SHALL BE DESCRIBED.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	A/C NO.	DESCRIPTION	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	13 MONTH AVERAGE
1	374	LAND	$ 36,635	$ 36,635	$ 36,635	$ 36,635	$ 36,635	$ 36,635	$ 36,635	$ 36,635	$ 36,635	$ 36,635	$ 36,635	$ 36,635	$ 28,635	$ 36,020
2	375	STRUCTURES & IMPROVEMENTS	229,035	231,356	231,356	231,356	231,356	231,356	233,056	233,056	233,056	233,056	233,056	233,056	233,056	232,093
3	387	OTHER EQUIPMENT	212,721	212,721	212,721	212,721	214,858	214,858	234,303	234,303	248,012	249,950	251,325	251,325	269,950	232,290
4	389	LAND	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285
5	390	STRUCTURES & IMPROVEMENTS	334,301	332,870	332,870	332,870	332,870	334,386	334,386	334,386	334,386	334,386	334,386	334,386	334,386	333,913
6	391	OFFICE FURN & EQUIPMENT	320,024	320,024	328,452	336,156	336,156	336,156	336,156	336,156	336,156	340,761	340,761	340,761	343,667	334,722
7	392	AUTOS & TRUCKS	767,523	759,704	784,125	785,120	754,948	777,144	826,998	856,770	887,790	836,652	836,652	836,652	836,652	811,287
8	394	TOOL, SHOP, & GARAGE EQUIP	71,842	71,842	78,199	75,710	77,215	77,215	77,215	77,215	77,215	77,215	77,215	77,215	77,215	76,348
9	396	POWER OPERATED EQUIPMENT	268,646	268,646	268,646	268,646	268,646	280,290	280,290	280,290	280,290	291,935	291,935	291,935	291,935	280,290
10	397	COMMUNICATION EQUIPMENT	58,810	58,810	58,810	58,810	58,810	58,810	58,810	58,810	58,810	58,810	58,810	58,810	60,110	58,910
11	398	MISC EQUIP (SPECIFY)	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083
12		TOTAL	$ 2,445,905	$ 2,438,976	$ 2,478,182	$ 2,484,391	$ 2,457,862	$ 2,493,218	$ 2,564,217	$ 2,593,989	$ 2,650,364	$ 2,605,768	$ 2,607,144	$ 2,607,144	$ 2,621,974	$ 2,542,241

			13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY	METHOD OF ALLOCATION
13	374	LAND	$36,020	0.0%	$0	
14	375	STRUCTURES & IMPROVEMENTS	232,093	0.0%	0	
15	387	OTHER EQUIPMENT	232,290	0.0%	0	
16	389	LAND	98,285	0.0%	0	
17	390	STRUCTURES & IMPROVEMENTS	333,913	0.0%	0	
18	391	OFFICE FURN & EQUIPMENT	334,722	7.2%	24,261	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL.
19	392	AUTOS & TRUCKS	811,287	7.2%	58,802	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL.
20	394	TOOL, SHOP, & GARAGE EQUIP	76,348	0.0%	0	
21	396	POWER OPERATED EQUIPMENT	280,290	0.0%	0	
22	397	COMMUNICATION EQUIPMENT	58,910	7.2%	4,270	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL.
23	398	MISC EQUIP (SPECIFY)	48,083	0.0%	0	
24		TOTAL	$2,542,241		$87,326	

SUPPORTING SCHEDULES: B-5 p.2, B-5 p.3

RECAP SCHEDULES: B-2, B-3

5/10/00
10:22 AM

SCHEDULE B-5 | DETAIL OF COMMON PLANT | PAGE 2 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12\31\99
WITNESS: WILLIAMS

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			BASIS FOR ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374		$0	$0	$0	$0	$0	$0	
2	374		0	0	0	0	0	0	
3	374		0	0	0	0	0	0	
4	374		0	0	0	0	0	0	
5	374		0	0	0	0	0	0	
6	374		0	0	0	0	0	0	
7	374		0	0	0	0	0	0	
8	374		0	0	0	0	0	0	
9	374		0	0	0	0	0	0	
10	374		0	0	0	0	0	0	
11	374		0	0	0	0	0	0	
12	374		0	0	0	0	0	0	
13	374	TOTAL	$0	$0	$0	$0	$0	$0	
14	375		$0	$0	$0	$0	$0	$0	
15	375		0	0	0	0	0	0	
16	375		0	0	0	0	0	0	
17	375		0	0	0	0	0	0	
18	375		0	0	0	0	0	0	
19	375		0	0	0	0	0	0	
20	375		0	0	0	0	0	0	
21	375		0	0	0	0	0	0	
22	375		0	0	0	0	0	0	
23	375		0	0	0	0	0	0	
24	375	TOTAL	$0	$0	$0	$0	$0	$0	

NOTE: There is no land or structure allocated to non-utility per last rate case.

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-5 p.1

SCHEDULE B-5

DETAIL OF COMMON PLANT

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12\31\99
WITNESS: WILLIAMS

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			BASIS FOR ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	389		0	0	0	0	0	0	
2	389		0	0	0	0	0	0	
3	389		0	0	0	0	0	0	
4	389	TOTAL	$0	$0	$0	$0	$0	$0	
5	390		$0	$0	$0	$0	$0	$0	
6	390		0	0	0	0	0	0	
7	390		0	0	0	0	0	0	
8	390		0	0	0	0	0	0	
9	390		0	0	0	0	0	0	
10	390		0	0	0	0	0	0	
11	390	TOTAL	$0	$0	$0	$0	$0	$0	
12	390.02		$0	$0	$0	$0	$0	$0	
13	390.02		0	0	0	0	0	0	
14	390.02		0	0	0	0	0	0	
15	390.02		0	0	0	0	0	0	
16	390.02		0	0	0	0	0	0	
17	390.02		0	0	0	0	0	0	
18	390.02		0	0	0	0	0	0	
19	390.02		0	0	0	0	0	0	
20	390.02		0	0	0	0	0	0	
21	390.02	TOTAL	$0	$0	$0	$0	$0	$0	

NOTE: There is no land or structures allocated to non-utility per last rate case.

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-5 p.1

SCHEDULE B-6 | ACQUISITION ADJUSTMENT | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE FOLLOWING INFORMATION RELATING TO EACH ACQUISITION ADJUSTMENT INCLUDED IN THE RATE CASE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILTIES CORP.

DOCKET NO.: 000108-GU

1. Describe the property acquired which resulted in the acquisition adjustment.

A. Natural gas distribution property in Polk and Osceola counties.

B. Natural gas distribution system in Plant City, Florida.

C.

D.

2. Date of acquisition.

A. 1985

B. 1987

C.

D.

3. Amount of acquisition adjustment.

A. $5,543

B. $509,422

C. $117,866

D. $154,590

4. Was the property purchased from a related party?

A. No

B. No

C.

D.

5. Has the acquisition adjustment been approved by the Commission?

A. No

B. No

C.

D.

6. Provide the Docket No. and Order No. approving the acquisition adjustment.

A.

B.

C.

D.

7. PROVIDE THE FOLLOWING INFORMATION FOR EACH ACQUISITION ADJUSTMENT.

	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	13 MO. AVG./ 12 MO. TOTAL
ACQUISITION ADJUSTMENT	$5,543	$5,543	$5,543	$5,543	$5,543	$5,543	$5,543	$5,543	$5,543	$5,543	$5,543	$5,543	$5,543	$5,543
ACCUMULATED AMORTIZATION	($5,543)	($5,543)	($5,543)	($5,543)	($5,543)	($5,543)	($5,543)	($5,543)	($5,543)	($5,543)	($5,543)	($5,543)	($5,543)	($5,543)
MONTHLY AMORTIZATION	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
ACQUISITION ADJUSTMENT	$509,422	$509,422	$509,422	$509,422	$509,422	$509,422	$509,422	$509,422	$509,422	$509,422	$509,422	$509,422	$509,422	$509,422
ACCUMULATED AMORTIZATION	($444,286)	($447,116)	($449,946)	($452,776)	($455,606)	($458,436)	($461,266)	($464,097)	($466,927)	($469,757)	($472,587)	($475,417)	($478,247)	($461,266)
MONTHLY AMORTIZATION	($2,830)	($2,830)	($2,830)	($2,830)	($2,830)	($2,830)	($2,830)	($2,830)	($2,830)	($2,830)	($2,830)	($2,830)	($2,830)	($2,830)
ACQUISITION ADJUSTMENT	$117,866	$117,866	$117,866	$117,866	$117,866	$117,866	$117,866	$117,866	$117,866	$117,866	$117,866	$117,866	$117,866	$117,866
ACCUMULATED AMORTIZATION	($117,866)	($117,866)	($117,866)	($117,866)	($117,866)	($117,866)	($117,866)	($117,866)	($117,866)	($117,866)	($117,866)	($117,866)	($117,866)	($117,866)
MONTHLY AMORTIZATION	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
ACQUISITION ADJUSTMENT	$154,590	$154,590	$154,590	$154,590	$154,590	$154,590	$154,590	$154,590	$154,590	$154,590	$154,590	$154,590	$0	$142,698
ACCUMULATED AMORTIZATION	($114,123)	($114,123)	($114,123)	($114,123)	($114,123)	($114,123)	($114,123)	($114,123)	($114,123)	($114,123)	($114,123)	($114,123)	$0	($105,344)
MONTHLY AMORTIZATION	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	($40,467)	($3,113)

SUPPORTING SCHEDULES: B-1

RECAP SCHEDULES: B-2

SCHEDULE B-7

PROPERTY HELD FOR FUTURE USE-13 MONTH AVERAGE

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING PROPERTY HELD FOR FUTURE USE BY MONTH AND BY ITEM FOR THE THIRTEEN MONTH PERIOD ENDING WITH THE LAST MONTH OF THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO	ACCT. NO.	DESCRIPTION	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	13 MONTH AVERAGE
1			$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
2			0	0	0	0	0	0	0	0	0	0	0	0	0	0
3			0	0	0	0	0	0	0	0	0	0	0	0	0	0
4			0	0	0	0	0	0	0	0	0	0	0	0	0	0
5			0	0	0	0	0	0	0	0	0	0	0	0	0	0
6			0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		TOTAL	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

NOTE: THERE IS NO PLANT HELD FOR FUTURE USE.

SUPPORTING SCHEDULES: B-1

RECAP SCHEDULES: B-2

SCHEDULE B-7

PROPERTY HELD FOR FUTURE USE DETAILS

PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE DETAILS FOR PROPERTY HELD FOR FUTURE USE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	DESCRIPTION	DATE OF ACQUISITION	LOCATION	REASON FOR PURCHASE	EXPENDITURES AS OF THE END OF THE HISTORIC BASE YEAR
1					

	DATE CONSTRUCTION IS TO COMMENCE	DATE TO BE PLACED IN SERVICE	INDICATE CURRENT USE	ITEMS INCLUDED IN RATE BASE
2				

NOTE: THERE IS NO PLANT HELD FOR FUTURE USE.

SUPPORTING SCHEDULES: B-1

RECAP SCHEDULES: B-7 p.1

SCHEDULE B-8

CONSTRUCTION WORK IN PROGRESS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: PROVIDE A SCHEDULE, SHOWING, BY MONTH, CONSTRUCTION WORK IN PROGRESS SEGREGATED BY ITEMS ON WHICH ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) WAS CHARGED AND ON WHICH NO AFUDC WAS CHARGED. THE SCHEDULE SHALL INCLUDE A DESCRIPTION OF THE COMPANY'S POLICY AS TO WHICH JOBS RECEIVED AFUDC, TOGETHER WITH THE CALCULATIONS SUPPORTING THE AFUDC RATES.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	DESCRIPTION	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	13 MONTH AVERAGE
	AFUDC CHARGED DESCRIPTION*														
1		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2		0	0	0	0	0	0	0	0	0	0	0	0	0	0
3		0	0	0	0	0	0	0	0	0	0	0	0	0	0
4		0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		0	0	0	0	0	0	0	0	0	0	0	0	0	0
6		0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	TOTAL - A.F.U.D.C. CHARGED	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	AFUDC NOT CHARGED DESCRIPTION*														
8	CWIP Balance	$138,903	$147,217	$268,670	$478,193	$746,525	$1,021,361	$1,294,367	$1,063,842	$1,400,405	$926,203	$1,242,191	$1,510,073	$1,822,064	$927,693
9		0	0	0	0	0	0	0	0	0	0	0	0	0	0
10		0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		0	0	0	0	0	0	0	0	0	0	0	0	0	0
12		0	0	0	0	0	0	0	0	0	0	0	0	0	0
13		0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	TOTAL C.W.I.P.	$138,903	$147,217	$268,670	$478,193	$746,525	$1,021,361	$1,294,367	$1,063,842	$1,400,405	$926,203	$1,242,191	$1,510,073	$1,822,064	$927,693

NOTE: THE FLORIDA DIVISION HAS NO AFUDC

DESCRIPTION OF COMPANY'S POLICY OF CHARGING A.F.U.D.C.:

CALCULATION OF HISTORIC BASE YEAR A.F.U.D.C. RATE: N/A

* LIST BY ADDRESS OR CONSTRUCTION CATEGORY IF DETAIL IS NOT AVAILABLE

SUPPORTING SCHEDULES: B-1

RECAP SCHEDULES: B-2

SCHEDULE B-9

DEPRECIATION RESERVE BALANCES

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE DEPRECIATION RESERVE BALANCES FOR EACH ACCOUNT OR SUB-ACCOUNT TO WHICH AN INDIVIDUAL DEPRECIATION RATE IS APPLIED TO THE AVERAGE MONTHLY BALANCE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	13 MONTH AVERAGE
1	301	ORGANIZATION	$20,096	$20,154	$20,212	$20,271	$20,329	$20,387	$20,446	$20,504	$20,562	$20,621	$20,679	$20,737	$20,795	$20,446
2	302	FRANCHISE AND CONSENT	4,932	4,967	5,002	5,037	5,073	5,108	5,143	5,179	5,214	5,249	5,285	5,320	5,355	5,143
3	303	MISC INTANGIBLE PLANT	304,962	313,317	321,673	330,028	338,383	346,738	355,093	363,448	371,803	380,158	388,514	396,869	405,224	355,093
4	362	GAS HOLDERS	501,867	507,020	511,781	517,707	510,861	513,665	496,269	494,994	499,354	496,018	501,125	499,111	504,710	504,191
5	375	STRUCTURES AND IMPROVEMENTS	37,735	38,311	38,889	39,468	40,046	40,624	41,205	41,788	42,370	42,953	43,535	44,118	44,701	41,211
6	376	MAINS	4,264,653	4,300,519	4,336,149	4,372,111	4,407,105	4,438,752	4,472,943	4,504,364	4,541,321	4,574,607	4,612,602	4,651,546	4,690,905	4,474,429
7	378	M & R EQUIPMENT - GENERAL	75,922	77,546	79,170	80,798	82,433	84,075	79,317	80,563	82,223	83,890	85,565	87,240	88,939	82,129
8	379	M & R EQUIPMENT - CITY	170,843	173,686	176,637	179,692	182,743	185,795	188,846	192,020	195,317	198,693	202,149	205,566	208,941	189,302
9	380	DIST PLANT SERVICES	641,478	652,038	660,118	665,708	670,345	681,537	689,715	699,429	710,370	722,263	731,286	743,542	752,250	693,852
10	381	METERS	387,792	391,393	394,998	398,618	402,262	398,980	402,696	406,445	410,210	413,990	417,781	421,584	424,794	405,503
11	382	METER INSTALLATIONS	132,296	132,666	134,269	132,613	133,867	134,469	136,282	138,010	139,825	141,759	143,643	145,405	147,327	137,879
12	383	REGULATORS	178,003	179,571	181,618	183,697	185,786	187,875	189,965	192,066	194,191	196,332	198,479	200,632	202,800	190,078
13	384	REGULATOR INSTALL HOUSE	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	385	M & R EQUIPMENT - INDUSTRIAL	196,001	200,140	204,275	208,414	212,553	216,693	220,832	224,981	229,139	233,312	237,500	241,688	245,876	220,877
15	387	OTHER EQUIPMENT	72,155	75,133	78,111	81,089	84,082	87,090	90,234	93,515	96,891	100,377	103,885	107,404	111,053	90,848
16	389	LAND AND LAND RIGHTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	390	STRUCTURES AND IMPROVEMENTS	78,355	77,563	78,201	78,839	79,477	80,117	80,758	81,399	82,040	82,681	83,321	83,962	84,603	80,871
18	391	OFFICE FURNITURE & EQUIPMENT	92,900	96,205	98,979	102,132	105,331	108,817	112,016	115,215	118,413	121,640	124,893	128,147	131,409	112,007
19	392	TRANSPORTATION OTHER	392,419	374,889	383,189	391,352	373,508	381,011	389,380	398,221	407,421	382,166	391,550	400,933	410,317	390,489
20	393	STORES EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	394	TOOLS AND WORK EQUIPMENT	21,802	22,120	22,451	22,791	23,129	23,470	23,811	24,152	24,493	24,834	25,175	25,516	25,857	23,815
22	396	POWER OPERATED EQUIPMENT	103,389	105,135	106,882	108,628	110,374	112,158	113,980	115,802	117,662	119,559	121,457	123,354	125,252	114,126
23	397	COMMUNICATION EQUIPMENT	30,502	31,324	32,147	32,970	33,792	34,615	35,438	36,260	37,083	37,906	38,728	39,551	40,374	35,438
24	398	MISC. EQUIPMENT	9,566	9,863	10,159	10,456	10,752	11,049	11,345	11,642	11,938	12,235	12,531	12,828	13,124	11,345
25		DEPRECIATION RESERVE	7,717,669	7,783,559	7,874,911	7,962,418	8,012,232	8,093,025	8,155,714	8,239,994	8,337,839	8,391,243	8,489,684	8,585,051	8,684,607	8,179,072
26	108.02	R.W.I.P	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	1145	ACCUM AMORT-ACQ OLD	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543
28	115	AMORT ACQ ADJ-CFG	444,286	447,116	449,946	452,776	455,606	458,436	461,266	464,097	466,927	469,757	472,587	475,417	478,247	461,266
29	1151	AMORT ACQ AD-PCNG	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866
30	1152	ACCUM AMORT INC TX ON ACQ AD.	114,123	114,123	114,123	114,123	114,123	114,123	114,123	114,123	114,123	114,123	114,123	114,123	0	105,344
31	108	TOTAL DEPRECIATION RESERVE	$8,399,487	$8,468,207	$8,562,388	$8,652,726	$8,705,370	$8,788,993	$8,854,512	$8,941,622	$9,042,297	$9,098,531	$9,199,802	$9,298,000	$9,286,263	$8,869,092

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-1, B-2, B-3

SCHEDULE B-10

AMORTIZATION / RECOVERY RESERVE BALANCES

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE AMORTIZATION/RECOVERY RESERVE BALANCES FOR EACH ACCOUNT OR SUB-ACCOUNT FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	13 MONTH AVERAGE
1	301	ORGANIZATION	$20,096	$20,154	$20,212	$20,271	$20,329	$20,387	$20,446	$20,504	$20,562	$20,621	$20,679	$20,737	$20,795	$20,446
2	302	FRANCHISE AND CONSENT	4,932	4,967	5,002	5,037	5,073	5,108	5,143	5,179	5,214	5,249	5,285	5,320	5,355	5,143
3	303	MISC INTANGIBLE PLANT	304,962	313,317	321,673	330,028	338,383	346,738	355,093	363,448	371,803	380,158	388,514	396,869	405,224	355,093
4	1145	ACCUM AMORT-ACQ OLD	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543
5	115	AMORT ACQ ADJ-CFG	444,286	447,116	449,946	452,776	455,606	458,436	461,266	464,097	466,927	469,757	472,587	475,417	478,247	461,266
6	1151	AMORT ACQ AD-PCNG	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866
7	1152	ACCUM AMORT INC TX ON ACQ AI	114,123	114,123	114,123	114,123	114,123	114,123	114,123	114,123	114,123	114,123	114,123	114,123	0	105,344
8			0	0	0	0	0	0	0	0	0	0	0	0	0	0
9			0	0	0	0	0	0	0	0	0	0	0	0	0	0
10			0	0	0	0	0	0	0	0	0	0	0	0	0	0
11			0	0	0	0	0	0	0	0	0	0	0	0	0	0
12			0	0	0	0	0	0	0	0	0	0	0	0	0	0
13			0	0	0	0	0	0	0	0	0	0	0	0	0	0
14		TOTAL	$1,011,807	$1,023,086	$1,034,365	$1,045,644	$1,056,923	$1,068,201	$1,079,480	$1,090,759	$1,102,038	$1,113,317	$1,124,596	$1,135,875	$1,033,031	$1,070,702

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-1, B-2, B-3

SCHEDULE B-11

ALLOCATION OF DEPRECIATION/AMORTIZATION RESERVE - COMMON PLANT

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE SAME DATA AS REQUIRED IN SCHEDULE B-5 FOR DEPRECIATION/AMORTIZATION RESERVE BALANCES.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO	A/C NO.	DESCRIPTION	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	13 MONTH AVERAGE
1	375	STRUCTURES & IMPROVEMENTS	$37,735	$38,311	$38,889	$39,468	$40,046	$40,624	$41,205	$41,786	$42,370	$42,953	$43,535	$44,118	$44,701	$41,211
2	387	OTHER EQUIPMENT	72,155	75,133	78,111	81,089	84,082	87,090	90,234	93,515	96,891	100,377	103,885	107,404	111,053	90,848
3	389	LAND	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	390	STRUCTURES & IMPROVEMENTS	78,355	77,563	78,201	78,839	79,477	80,117	80,758	81,399	82,040	82,681	83,321	83,962	84,603	80,871
5	391	OFFICE FURN & EQUIPMENT	92,900	96,205	98,979	102,132	105,331	108,817	112,016	115,215	118,413	121,640	124,893	128,147	131,409	112,007
6	392	AUTOS & TRUCKS	392,419	374,889	383,189	391,352	373,508	381,011	389,380	398,221	407,421	382,166	391,550	400,933	410,317	390,489
7	394	TOOL, SHOP, & GARAGE EQUIP	21,802	22,120	22,451	22,791	23,129	23,470	23,811	24,152	24,493	24,834	25,175	25,516	25,857	23,815
8	396	POWER OPERATED EQUIPMENT	103,389	105,135	106,882	108,628	110,374	112,158	113,980	115,802	117,662	119,559	121,457	123,354	125,252	114,126
9	397	COMMUNICATION EQUIPMENT	30,502	31,324	32,147	32,970	33,792	34,615	35,438	36,260	37,083	37,906	38,728	39,551	40,374	35,438
10	398	MISC EQUIP (SPECIFY)	9,566	9,863	10,159	10,456	10,752	11,049	11,345	11,642	11,938	12,235	12,531	12,828	13,124	11,345
11		TOTAL	$838,824	$830,543	$849,009	$867,724	$860,492	$878,951	$898,167	$917,992	$938,310	$924,349	$945,076	$965,813	$986,690	$900,149

			13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY	METHOD OF ALLOCATION
12	375	STRUCTURES & IMPROVEMENTS	$41,211	0.0%	$0	
13	387	OTHER EQUIPMENT	90,848	0.0%	0	
14	389	LAND	0	0.0%	0	
15	390	STRUCTURES & IMPROVEMENTS	80,871	0.0%	0	
16	391	OFFICE FURN & EQUIPMENT	112,007	7.2%	8,118	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL.
17	392	AUTOS & TRUCKS	390,489	7.2%	28,302	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL.
18	394	TOOL, SHOP, & GARAGE EQUIP	23,815	0.0%	0	
19	396	POWER OPERATED EQUIPMENT	114,126	0.0%	0	
20	397	COMMUNICATION EQUIPMENT	35,438	7.2%	2,568	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL.
21	398	MISC EQUIP (SPECIFY)	11,345	0.0%	0	
22		TOTAL	$900,149		$38,988	

SUPPORTING SCHEDULES: B-9

RECAP SCHEDULES: B-2, B-3

SCHEDULE B-12 | CUSTOMER ADVANCES FOR CONSTRUCTION | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO. 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING, BY MONTH, THE AMOUNT OF CUSTOMER ADVANCES FOR CONSTRUCTION FOR THE 13-MONTH PERIOD ENDING WITH THE LAST MONTH OF THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.		MONTH	AMOUNT
1	1998	DECEMBER	$ 112,996
2	1999	JANUARY	115,641
3		FEBRUARY	116,082
4		MARCH	112,936
5		APRIL	113,908
6		MAY	113,908
7		JUNE	265,548
8		JULY	265,548
9		AUGUST	265,548
10		SEPTEMBER	267,708
11		OCTOBER	267,708
12		NOVEMBER	267,828
13		DECEMBER	267,828
14		TOTAL	$ 2,553,187
15		13 MONTH AVERAGE	$ 196,399

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-2

SCHEDULE B-13 WORKING CAPITAL PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING THE 13-MONTH AVERAGE WORKING CAPITAL ALLOWANCE FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	DESCRIPTION	AVERAGE PER BOOKS	ADJUSTMENT			ADJUSTED AVERAGE
			NON UTILITY	CAPITAL STRUCTURE	OTHER	
	CURRENT AND ACCRUED ASSETS					
1	CASH	$198,497				$198,497
2	INVESTMENT IN SUBSIDIARY	$0				$0
3	SPECIAL DEPOSITS	$0				$0
4	WORKING FUNDS	$0				$0
5	TEMPORARY CASH INVESTMENTS	$0				$0
6	NOTES RECEIVABLE	$0				$0
7	CUST. ACCTS. REC.- GAS	$1,500,809				$1,500,809
8	MDSE, JOBBING & OTHER	$0				$0
9	ACCUM. PROV.UNCOLLECT. ACCTS.- GAS	($31,801)				($31,801)
10	ACCUM. PROV.UNCOLLECT.ACCTS.- OTHER	$0				$0
11	RECEIVABLE ASSOC. COMPANIES	($5,052,965)		$5,052,965		$0
12	PLANT & OPER.MATERIAL & SUPPL.	$363,160				$363,160
13	ACCOUNTS RECEIVABLE-SERVICE	$148,470	($93,388)			$55,082
14	ACCOUNTS RECEIVABLE-MISC AREA EXP PROGRAM	$470,142			($470,142)	$0
15	PREPAYMENTS	$88,757				$88,757
16	MISC. CURRENT AND ACCRUED ASSETS	$0				$0
17	OTHER INVESTMENTS	$0				$0
18	SINKING FUNDS	$0				$0
19	ACCTS. REC. - UNBILLED REVENUE	$157,444				$157,444
						$0
20	TOTAL CURRENT ASSETS	($2,157,487)	($93,388)	$5,052,965	($470,142)	$2,331,948
	DEFERRED DEBITS					
21	MISC DEFERRED DEBITS	$120,404			($120,404)	$0
22	CONSERVATION	$83,886			($83,886)	$0
23	CLEARING ACCOUNTS	($7,429)				($7,429)
24	OTHER CWIP	$0				$0
25	UNAMORTIZED RATE CASE	$0				$0
26	UNRECOVERED GAS COST	($10,549)			$10,549	$0
						$0
27	TOTAL DEFFERED DEBITS	$186,312	$0	$0	($193,741)	($7,429)
28	TOTAL CURRENT AND DEFERRED ASSETS	($1,971,175)	($93,388)	$5,052,965	($663,883)	$2,324,519

SUPPORTING SCHEDULES: B-1, C-4, C-8

RECAP SCHEDULES: B-1, B-2, B-3

SCHEDULE B-13 | WORKING CAPITAL | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING THE 13-MONTH AVERAGE WORKING CAPITAL ALLOWANCE FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: CHESAPEAKE UTILITIES CORP. FLORIDA DIVISION

DOCKET NO.: 000108-GU

LINE NO.	DESCRIPTION	AVERAGE PER BOOKS	ADJUSTMENT			ADJUSTED AVERAGE
			NON UTILITY	CAPITAL STRUCTURE	OTHER	
	CURRENT LIABILITIES					
1	NOTES PAYABLE	$0				$0
2	ACCOUNTS PAYABLE	$840,214				$840,214
3	ACCTS. PAYABLE - ASSOC. CO.	$0				$0
4	CUSTOMER DEPOSITS-REFUNDS	$1,231		($1,231)		$0
5	CUSTOMER DEPOSITS	$627,767		($627,767)		$0
6	TAXES ACCRUED-GENERAL	$229,355				$229,355
7	TAXES ACCRUED-INCOME	$52,429				$52,429
8	INTEREST ACCRUED	$16,758			$99,611	$116,369
9	DIVIDENDS DECLARED	$0				$0
10	TAX COLLECTIONS PAYABLE	$81,039				$81,039
11	MISC. CURRENT LIABILITIES	$608,808		($46,880)	($478,598)	$83,330
12	CONSERVATION COST TRUE-UP	$0				$0
13	TOTAL CURRENT LIABILITIES	$2,457,601	$0	($675,878)	($378,987)	$1,402,736
	DEFERRED CREDITS AND OPERATING RESERVES					
14	CUSTOMER ADVANCES FOR CONSTRUCTION	$196,399			($196,399)	$0
15	ACCUMULATED DEFFERED INCOME TAXES	$1,370,750		($1,370,750)		$0
16	DEFERRED INVESTMENT TAX CREDITS	$346,024		($346,024)		$0
17	HEALTH INSURANCE RESERVE	$0			$44,290	$44,290
18	SELF INSURANCE RESERVE	$0			$130,205	$130,205
19	OTHER DEFERRED CREDITS	$0				$0
20	PENSIONS & BENEFITS RESERVE	$249,061				$249,061
21	TOTAL DEFERRED CREDITS AND OPERATING RESERVES	$2,162,234	$0	($1,716,774)	($21,904)	$423,556
22	TOTAL LIABILITIES	$4,619,835	$0	($2,392,652)	($400,891)	$1,826,292
23	TOTAL ASSETS LESS LIABILITIES	($6,591,010)	($93,388)	$7,445,617	($262,992)	$498,227
24	NET WORKING CAPITAL INCLUDED IN RATE BASE (SCHEDULE)	($6,591,010)	($93,388)	$7,445,617	($262,992)	$498,227

SUPPORTING SCHEDULES: B-1

RECAP SCHEDULES: B-1, B-2, B-3

DETAIL OF MISCELLANEOUS DEBITS

SCHEDULE B-14 — PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING A 13 MO. AVG. DETAILED DESCRIPTION OF EACH TYPE OF ITEM INCLUDED IN MISCELLANEOUS DEFERRED DEBITS FOR THE HISTORIC BASE YEAR

TYPE OF DATA SHOWN
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	DESCRIPTION	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	13 MO. AVERAGE
1	Reg. Asset. Rev. Req.	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$123,104	$88,004	$120,404
2	Conservation	$106,555	$76,011	$84,666	$62,350	$61,190	$48,689	$84,987	$92,108	$93,052	$88,081	$95,928	$90,719	$106,181	$83,886
3		$229,659	$199,115	$207,770	$185,454	$184,294	$171,793	$208,091	$215,212	$216,156	$211,185	$219,032	$213,823	$194,185	$204,290

SUPPORTING SCHEDULES: Lines 30-32 on Schedule B-1

RECAP SCHEDULES B-13

SCHEDULE B-15

DETAIL OF OTHER DEFERRED CREDITS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A 13-MONTH AVERAGE DETAILED DESCRIPTION OF EACH TYPE OF ITEM INCLUDED IN OTHER DEFERRED CREDITS FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	Account Number	DESCRIPTION	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	13 MO. AVERAGE 1\
1	253	109 Reg liab. Depr	$ 60,473	$ 60,473	$ 60,473	$ 60,473	$ 60,473	$ 60,473	$ 60,473	$ 60,473	$ 60,473	$ 60,473	$ 60,473	$ 60,473	$ 60,473	$ 60,473
2	253	109 Reg Liab ITC	$ 215,906	$ 215,906	$ 215,906	$ 215,906	$ 215,906	$ 215,906	$ 215,906	$ 215,906	$ 215,906	$ 215,906	$ 215,906	$ 215,906	$ 215,906	$ 215,906
3	263	Accrued Pension	$ 90,535	$ 93,752	$ 96,969	$ 100,185	$ 92,735	$ 93,285	$ 93,835	$ 94,385	$ 94,935	$ 95,485	$ 96,035	$ 96,035	$ 173,245	$ 100,878
4	263	Accrued OPRB	$ 67,837	$ 67,844	$ 67,851	$ 67,858	$ 67,865	$ 67,872	$ 67,879	$ 67,886	$ 67,893	$ 67,900	$ 67,907	$ 67,886	$ 68,765	$ 68,019
5	253	Unearned Interest Income	$ 204,463	$ 204,233	$ 203,954	$ 203,477	$ 203,050	$ 202,608	$ 202,186	$ 201,794	$ 201,425	$ 201,020	$ 200,616	$ 200,212	$ 199,808	$ 202,219
6	263	Accrued Benefits	$ 86,767	$ 86,767	$ 86,767	$ 86,767	$ 86,767	$ 86,767	$ 86,767	$ 86,997	$ 86,767	$ 86,767	$ 86,997	$ 87,228	$ -	$ 80,163
7	241	Accrued Exec Bonus	$ 26,654	$ 20,836	$ 25,018	$ 9,492	$ 14,226	$ 18,960	$ 23,694	$ 28,428	$ 33,162	$ 37,896	$ 42,630	$ 47,364	$ 52,098	$ 29,266
8	241	Accrued Payroll-Other	$ -	$ 1,775	$ 3,550	$ 5,325	$ 9,867	$ 11,408	$ 12,950	$ 14,492	$ 16,033	$ 17,575	$ 19,117	$ 20,658	$ -	$ 10,212
9	242	Accrued Audit Fees	$ 17,974	$ 20,612	$ 15,691	$ 18,331	$ 15,695	$ 18,675	$ 21,654	$ 15,027	$ 13,606	$ 12,185	$ 15,164	$ 13,743	$ 16,723	$ 16,545
10	242	Deferred Revenue	$ -	$ 21,900	$ 10,950	$ -	$ 21,900	$ 10,950	$ -	$ 21,900	$ 10,950	$ -	$ (10,950)	$ 10,950	$ -	$ 7,581
11	242	Flex Rate Liability	$ 13,070	$ 10,484	$ 10,719	$ 12,695	$ 15,117	$ 20,525	$ 25,763	$ 35,058	$ 43,867	$ 51,393	$ 59,861	$ 66,981	$ 73,799	$ 33,795
12	242	Flex Rate Liability	$ 49,055	$ 43,658	$ 39,431	$ 34,118	$ 29,885	$ 25,616	$ 22,028	$ 18,446	$ 15,095	$ 11,950	$ 8,738	$ 5,046	$ 1,002	$ 23,390
13	253	Reserve for Refunds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 122,500	$ 9,423
14			$ 832,734	848,240	837,279	814,626	833,486	833,046	833,135	860,791	860,112	858,551	862,495	892,483	985,318	857,869

1\ Total equals lines 22 & 29 on B-1 page 2

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-13

SCHEDULE B-16 | ADDITIONAL RATE BASE COMPONENTS | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: FOR ANY RATE BASE COMPONENT NOT ACCOUNTED FOR IN OTHER SCHEDULES, PROVIDE THE 13 MONTH AVERAGE BALANCE FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

DESCRIPTION	13-MONTH AVERAGE	NON-UTILITY ALLOCATION FACTOR	NON-REGULATED AMOUNT	BASIS FOR ALLOCATION
NOT APPLICABLE				

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-2

SCHEDULE B-17

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

INVESTMENT TAX CREDITS - ANALYSIS

EXPLANATION: PROVIDE AN ANALYSIS OF ACCUMULATED TAX CREDITS GENERATED AND AMORTIZED ON AN ANNUAL BASIS BEGINNING WITH THE HISTORIC BASE YEAR IN THE LAST RATE CASE TO THE BEGINNING OF THE CURRENT HISTORIC BASE YEAR AND ON A MONTHLY BASIS FOR THE HISTORIC BASE YEAR. (EXCEPTION: ANNUAL DATA MAY BE SUBSTITUTED FOR MONTHLY DATA FOR THE 3% DEFERRED ITC). AMOUNTS PROVIDED BY THE REVENUE ACT OF 1971 AND SUBSEQUENT ACTS SHOULD BE SHOWN SEPARATELY FROM AMOUNTS APPLICABLE TO PRIOR LAWS. IDENTIFY PROGRESS PAYMENTS SEPARATELY.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

3% ITC

LINE NO.	YEAR/ MONTH	BEGINNING BALANCE	AMOUNT REALIZED CURRENT YEAR	AMOUNT REALIZED PRIOR YEAR ADJUSTMENTS	AMORTIZATION CURRENT YEAR	AMORTIZATION PRIOR YEAR ADJUSTMENTS	ENDING BALANCE
	NONE						
				13-MONTH AVERAGE			0

4% ITC

BEGINNING BALANCE	AMOUNT REALIZED CURRENT YEAR	AMOUNT REALIZED PRIOR YEAR ADJUSTMENTS	AMORTIZATION CURRENT YEAR	AMORTIZATION PRIOR YEAR ADJUSTMENTS	ENDING BALANCE
NONE					
		13-MONTH AVERAGE			0

SUPPORTING SCHEDULES:

RECAP SCHEDULES: A-4, A-5, B-1, C-1, C-20, C-21 C-22, C-26, D-1, D-10, D-11

SCHEDULE B-17

INVESTMENT TAX CREDITS - ANALYSIS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE AN ANALYSIS OF ACCUMULATED TAX CREDITS GENERATED AND AMORTIZED ON AN ANNUAL BASIS BEGINNING WITH THE HISTORIC BASE YEAR IN THE LAST RATE CASE TO THE BEGINNING OF THE CURRENT HISTORIC BASE YEAR AND ON A MONTHLY BASIS FOR THE HISTORIC BASE YEAR. (EXCEPTION: ANNUAL DATA MAY BE SUBSTITUTED FOR MONTHLY DATA FOR THE 3% DEFERRED ITC). AMOUNTS PROVIDED BY THE REVENUE ACT OF 1971 AND SUBSEQUENT ACTS SHOULD BE SHOWN SEPARATELY FROM AMOUNTS APPLICABLE TO PRIOR LAWS. IDENTIFY PROGRESS PAYMENTS SEPARATELY.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

		8% ITC						10% ITC					
			AMOUNT REALIZED		AMORTIZATION				AMOUNT REALIZED		AMORTIZATION		
LINE NO.	YEAR/ MONTH	BEGINNING BALANCE	CURRENT YEAR	PRIOR YEAR ADJUSTMENTS	CURRENT YEAR	PRIOR YEAR ADJUSTMENTS	ENDING BALANCE	BEGINNING BALANCE	CURRENT YEAR	PRIOR YEAR ADJUSTMENTS	CURRENT YEAR	PRIOR YEAR ADJUSTMENTS	ENDING BALANCE
1	6/88												470,873
2	12/88									24,479			446,394
3	12/90									(57,316)			503,710
4	12/91							503,710			19,523		484,187
5	12/92							484,187			19,523		464,664
6	12/93							464,664			19,523		445,141
7	12/94			NONE				445,141			19,523		425,618
8	12/95							425,618			19,523		406,095
9	12/96							406,095			19,523		386,572
10	12/97							386,572			19,523		367,049
11	12/98							367,049			19,523		347,526
12	1/99							347,526					347,526
13	2/99							347,526					347,526
14	3/99							347,526					347,526
15	4/99							347,526					347,526
16	5/99							347,526					347,526
17	6/99							347,526					347,526
18	7/99							347,526					347,526
19	8/99							347,526					347,526
20	9/99							347,526					347,526
21	10/99							347,526					347,526
22	11/99							347,526					347,526
23	12/99							347,526			19,523		328,003
24				13-MONTH AVERAGE			0			13-MONTH AVERAGE			$ 346,024

SUPPORTING SCHEDULES:

RECAP SCHEDULES: A-4, A-5, B-1, C-1, C-20, C-21 C-22, C-26, D-1, D-10, D-11

SCHEDULE B-17

INVESTMENT TAX CREDITS - COMPANY POLICIES

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: EXPLAIN ACCOUNTING POLICY AS TO THE METHOD OF AMORTIZATION FOR BOTH PROGRESS PAYMENT AND OTHER ITC. EXPLANATION SHOULD INCLUDE AT LEAST A DESCRIPTION OF HOW THE TIME PERIOD FOR AMORTIZATION IS DETERMINED, WHEN IT BEGINS, UNDER WHAT CIRCUMSTANCES IT CHANGES, ETC. IF THERE ARE UNUSED ITC, SUPPLY A SCHEDULE SHOWING YEAR GENERATED, AMOUNT GENERATED, TOTAL AMOUNT USED AND REMAINING PORTION.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

CENTRAL FLORIDA IS TREATING INVESTMENT TAX CREDIT UNDER IRC SECTION (f) (1). THE INVESTMENT TAX CREDIT IS AMORTIZED BELOW-THE-LINE RATABLY OVER THE LINE OF THE PROPERTY. THE UNAMORTIZED ITC HAS BEEN INCLUDED IN THE CAPITAL STRUCTURE AT ZERO COST.

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE B-17 | INVESTMENT TAX CREDITS - SECTION 46(f) ELECTION | PAGE 4 OF 4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A COPY OF THE ELECTION MADE UNDER SECTION 46(f), INTERNAL REVENUE CODE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

N/A

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE B-18 | ACCUMULATED DEFERRED INCOME TAXES - SUMMARY | PAGE 1 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: FOR EACH OF THE ACCUMULATED DEFERRED TAX ACCOUNTS, PROVIDE A SUMMARY OF THE ENDING BALANCES AS REPORTED ON PAGES 2 AND 3 OF THIS SCHEDULE. THE SAME ANNUAL AND MONTHLY BALANCES SHOULD BE SHOWN.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	YEAR/ MONTH	ACCOUNT NO. 282 STATE	ACCOUNT NO. 282 FEDERAL	ACCOUNT NO. 282 TOTAL	ACCOUNT NO. 283 STATE	ACCOUNT NO. 283 FEDERAL	ACCOUNT NO. 283 TOTAL	NET DEFERRED INCOME TAXES STATE	NET DEFERRED INCOME TAXES FEDERAL	NET DEFERRED INCOME TAXES TOTAL
1	12/31/89	65,245	(65,245)	0	114,005	665,999	780,004	179,250	600,754	780,004
2	12/31/90	62,842	(136,600)	(73,758)	111,307	650,237	761,544	174,149	513,637	687,786
3	12/31/91	70,769	(70,769)	0	126,123	736,790	862,913	196,892	666,021	862,913
4	12/31/92	67,912	(67,932)	(20)	145,610	850,626	996,236	213,522	782,694	996,216
5	12/31/93	69,644	(38,292)	31,352	141,808	828,419	970,227	211,452	790,127	1,001,579
6	12/31/94	68,995	(22,559)	46,436	81,456	475,852	557,308	150,451	453,293	603,744
7	12/31/95	64,035	(32,017)	32,018	11,787	68,854	80,641	75,822	36,837	112,659
8	12/31/96	58,489	(44,890)	13,599	100,147	585,043	685,190	158,636	540,153	698,789
9	12/31/97	54,104	(50,980)	3,124	117,217	684,759	801,976	171,321	633,779	805,100
10	12/31/98	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
11	1/31/99	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
12	2/28/99	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
13	3/31/99	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
14	4/30/99	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
15	5/31/99	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
16	6/30/99	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
17	7/31/99	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
18	8/31/99	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
19	9/30/99	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
20	10/31/99	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
21	11/30/99	54,404	(29,708)	24,696	196,993	1,150,795	1,347,788	251,397	1,121,087	1,372,484
22	12/31/99	47,941	(47,941)	0	197,307	1,152,633	1,349,940	245,248	1,104,692	1,349,940
23	13-MONTH AVERA	53,907	(31,111)	22,796	197,017	1,150,938	1,347,954	250,924	1,119,826	1,370,750

SUPPORTING SCHEDULES:

RECAP SCHEDULES: A-5, B-1, C-25, D-1, D-10

SCHEDULE B-18

ACCUMLATED DEFERRED INCOME TAXES - STATE

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: FOR EACH OF THE ACCUMULATED DEFERRED TAX ACCOUNTS, PROVIDE ANNUAL BALANCES BEGINNING WITH THE YEAR OF THE LAST RATE CASE AND ENDING WITH THE BEGINNING OF THE HISTORIC BASE YEAR, AND MONTHLY BALANCES FOR THE CURRENT HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

ACCOUNT NO. 282

LINE NO.	YEAR/ MONTH	BEGINNING BALANCE	CURRENT YEAR DEFERRAL	FLOWBACK TO CURRENT YEAR	ADJUST. DEBIT (CREDIT)	ENDING BALANCE
1	12/31/89	65,245				65,245
2	12/31/90	65,245			(2,403)	62,842
3	12/31/91	62,842			7,927	70,769
4	12/31/92	70,769			(2,857)	67,912
5	12/31/93	67,912			1,732	69,644
6	12/31/94	69,644			(649)	68,995
7	12/31/95	68,995			(4,960)	64,035
8	12/31/96	64,035			(5,546)	58,489
9	12/31/97	58,489			(4,385)	54,104
10	12/31/98	54,104			300	54,404
11	1/31/99	54,404			0	54,404
12	2/28/99	54,404			0	54,404
13	3/31/99	54,404			0	54,404
14	4/30/99	54,404			0	54,404
15	5/31/99	54,404			0	54,404
16	6/30/99	54,404			0	54,404
17	7/31/99	54,404			0	54,404
18	8/31/99	54,404			0	54,404
19	9/30/99	54,404			0	54,404
20	10/31/99	54,404			0	54,404
21	11/30/99	54,404			(6,463)	47,941
22	12/31/99	54,404				
23	13 Month Average					53,907

ACCOUNT NO. 283

BEGINNING BALANCE	CURRENT YEAR DEFERRAL	FLOWBACK TO CURRENT YEAR	ADJUST. DEBIT (CREDIT)	ENDING BALANCE
				114,005
114,005			(2,698)	111,307
114,005			14,816	126,123
111,307			19,487	145,610
126,123			(3,802)	141,808
145,610			(60,352)	81,456
141,808			(69,669)	11,787
81,456			88,360	100,147
11,787			17,070	117,217
100,147				
			79,776	196,993
117,217			0	196,993
196,993			0	196,993
196,993			0	196,993
196,993			0	196,993
196,993			0	196,993
196,993			0	196,993
196,993			0	196,993
196,993			0	196,993
196,993			0	196,993
196,993			0	196,993
196,993			314	197,307
			13 Month Average	197,017

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE B-18

ACCUMLATED DEFERRED INCOME TAXES - FEDERAL

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: FOR EACH OF THE ACCUMULATED DEFERRED TAX ACCOUNTS, PROVIDE ANNUAL BALANCES BEGINNING WITH THE YEAR OF THE LAST RATE CASE AND ENDING WITH THE BEGINNING OF THE HISTORIC BASE YEAR, AND MONTHLY BALANCES FOR THE CURRENT HISTORIC BASE YEAR.

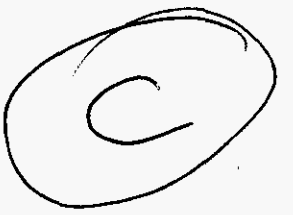
TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	YEAR/ MONTH	ACCOUNT NO. 282 BEGINNING BALANCE	CURRENT YEAR DEFERRAL	FLOWBACK TO CURRENT YEAR	ADJUST. DEBIT (CREDIT)	ENDING BALANCE	ACCOUNT NO. 283 BEGINNING BALANCE	CURRENT YEAR DEFERRAL	FLOWBACK TO CURRENT YEAR	ADJUST. DEBIT (CREDIT)	ENDING BALANCE
1	12/31/89	(65,245)				(65,245)	665,999				665,999
2	12/31/90	(65,245)			(71,355)	(136,600)	665,999			(15,762)	650,237
3	12/31/91	(136,600)			65,831	(70,769)	650,237			86,553	736,790
4	12/31/92	(70,769)			2,837	(67,932)	736,790			113,836	850,626
5	12/31/93	(67,932)			29,640	(38,292)	850,626			(22,207)	828,419
6	12/31/94	(38,292)			15,733	(22,559)	828,419			(352,567)	475,852
7	12/31/95	(22,559)			(9,458)	(32,017)	475,852			(406,998)	68,854
8	12/31/96	(32,017)			(12,873)	(44,890)	68,854			516,189	585,043
9	12/31/97	(44,890)			(6,090)	(50,980)	585,043			99,716	684,759
10	12/31/98	(50,980)			21,272	(29,708)	684,759			466,036	1,150,795
11	1/31/99	(29,708)			0	(29,708)	1,150,795			0	1,150,795
12	2/28/99	(29,708)			0	(29,708)	1,150,795			0	1,150,795
13	3/31/99	(29,708)			0	(29,708)	1,150,795			0	1,150,795
14	4/30/99	(29,708)			0	(29,708)	1,150,795			0	1,150,795
15	5/31/99	(29,708)			0	(29,708)	1,150,795			0	1,150,795
16	6/30/99	(29,708)			0	(29,708)	1,150,795			0	1,150,795
17	7/31/99	(29,708)			0	(29,708)	1,150,795			0	1,150,795
18	8/31/99	(29,708)			0	(29,708)	1,150,795			0	1,150,795
19	9/30/99	(29,708)			0	(29,708)	1,150,795			0	1,150,795
20	10/31/99	(29,708)			0	(29,708)	1,150,795			0	1,150,795
21	11/30/99	(29,708)			0	(29,708)	1,150,795			1,838	1,152,633
22	12/31/99	(29,708)			(18,233)	(47,941)					
23	13 Month Average					(31,111)				13 Month Average	1,150,936

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO. 000108-GU
MINIMUM FILING REQUIREMENTS
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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF NET OPERATING INCOME PER BOOKS FOR THE HISTORIC BAES YEAR AND THE PRIOR YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR - 1: 12/31/98
WITNESS: WILLIAMS

NET OPERATING INCOME - HISTORIC BASE YEAR ENDED 12/31/99

LINE NO.		(1) PRIOR YEAR ENDED TOTAL COMPANY PER BOOKS (BASE YEAR - 1) 12/31/98	(2) CURRENT HISTORIC BASE YEAR ENDED TOTAL COMPANY PER BOOKS 12/31/99	(3) ADJUSTMENTS	(4) COMPANY ADJUSTED (2) - (3)	(5) REVENUE ADJUSTMENT	(6) JURISDICTIONAL AMOUNT PROPOSED RATES
1	OPERATING REVENUES	$15,669,930	$17,293,932	($738,010)	$16,555,922	$0	$16,555,922
	OPERATING EXPENSES:						
2	GAS EXPENSE	$8,195,579	$9,150,224	$0	$9,150,224	$0	$9,150,224
3	OPERATION & MAINTENANCE	$3,492,748	$4,314,014	($478,588)	$3,835,426	$0	$3,835,426
4	DEPRECIATION & AMORTIZATION	$1,062,221	$1,138,653	($38,715)	$1,099,938		$1,099,938
5	TAXES OTHER THAN INCOME TAXES	$1,194,432	$1,157,615	($512)	$1,157,103	$0	$1,157,103
	INCOME TAXES:						
6	- FEDERAL	$484,345	$311,190	($89,099)	$222,091	$0	$222,091
7	- STATE	$0	$52,174	($14,929)	$37,245	$0	$37,245
	DEFERRED INCOME TAXES						
8	- FEDERAL	$0	$12,234	$0	$12,234	$0	$12,234
9	- STATE	$0	$0	$0	$0	$0	$0
10	INVESTMENT TAX CREDIT - NET	$0	$0	$0	$0	$0	$0
11	TOTAL OPERATING EXPENSES	$14,429,325	$16,136,104	($621,843)	$15,514,261	$0	$15,514,261
12	OPERATING INCOME	$1,240,605	$1,157,828	($116,167)	$1,041,661	$0	$1,041,661

SUPPORTING SCHEDULES: C-2 p. 1, C-2 p.2, C-3, C-20, C-21

RECAP SCHEDULES:

SCHEDULE C-2 | NET OPERATING INCOME ADJUSTMENTS | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE OF PROPOSED ADJUSTMENTS TO N.O.I. (FROM SCHEDULE C-1) AND THE REVENUE REQUIREMENT EFFECT ON EACH. INDICATE WHICH ADJUSTMENTS WERE MADE IN THE COMPANY'S LAST FULL REVENUE REQUIREMENTS CASE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

ADJUST. NO.	ADJUSTMENT TITLE	ADJUSTMENT AMOUNT	NON-UTILITY AMOUNT	REGULATED AMOUNT	INCREASE (DECREASE) REV REQUIREMENT	
	OPERATING REVENUE					
1	CUSTOMER INSTALLATION REVENUES	$430,745	$430,745	$0	$444,067	To remove unregulated revenues
2	HOUSEPIPING REVENUES	$307,265	$307,265	$0	$316,768	To remove unregulated revenues
3		$0	$0	$0	$0	
4		$0	$0	$0	$0	
5		$0	$0	$0	$0	
6	TOTAL REVENUE ADJUSTMEMTS	$738,010	$738,010	$0	$760,835	
	OPERATIONS & MAINTENANCE EXPENSE					
7	SERVICE RELATED EXP.	($361,270)	($361,270)	$0	($372,443)	To remove unregulated expenses
8	CIVIC & CHARITABLE CONTRIBUTIONS	($25,877)	$0	($25,877)	($26,677)	Per Last Rate Case
9	FNGA-PAC	($2,000)	$0	($2,000)	($2,062)	Political
10	DUES	($2,304)	$0	($2,304)	($2,375)	Memberships & Dues
11	ONE-TIME CONSULTING FEES	($73,559)	$0	($73,559)	($75,834)	One-time consulting fees
12	COMPANY PICNIC	($1,887)	$0	($1,887)	($1,945)	Company function
13	ADVERTISING	($18,330)	$0	($18,330)	($18,897)	Advertising
14	STATE PLUMBING EXAM	($1,611)	($1,611)	$0	($1,661)	Housepiping certification
15	ADVANCE-ACCOUNTANT RELOCATION	($867)	$0	($867)	($894)	Relocation advance
16	PEAKE PARTY	($2,441)	$0	($2,441)	($2,516)	Company function
17	OUT OF PERIOD	$11,558	$0	$11,558	$11,915	Out of period adjustments
18	TOTAL O & M ADJUSTMENTS	($478,588)	($362,881)	($115,707)	($493,389)	
	DEPRECIATION EXPENSE					
19	ACQUISITION ADJUSTMENT	($33,961)	$0	($33,961)	($35,011)	Per Last Rate Case
20	2ND STORY OFFICE BLDG.	($593)	$0	($593)	($611)	Per Last Rate Case
21	AMORTIZATION OF ORG. COSTS	($424)	$0	($424)	($437)	Per Last Rate Case
22	DEPRECIATION ALLOCATION TO NON REG	($3,737)	($3,737)	$0	($3,853)	Depreciation allocated to non-reg
23	TOTAL DEPRECIATION EXPENSE ADJS	($38,715)	($3,737)	($34,978)	($39,912)	

*NOTE ADJUSTMENTS CONSISTENT WITH THOSE MADE IN THE COMPANY'S LAST FULL REVENUE REQUIREMENTS CASE.

SUPPORTING SCHEDULES: C-4

RECAP SCHEDULES: C-1

SCHEDULE C-2 | NET OPERATING INCOME ADJUSTMENTS | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE OF PROPOSED ADJUSTMENTS TO *N.O.I. (FROM SCHEDULE C-1) AND THE REVENUE REQUIREMENT* EFFECT ON EACH. INDICATE WHICH ADJUSTMENTS WERE MADE IN THE COMPANY'S LAST FULL REVENUE REQUIREMENTS CASE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

ADJUST. NO.	ADJUSTMENT TITLE	ADJUSTMENT AMOUNT	NON-UTILITY AMOUNT	REGULATED AMOUNT	INCREASE (DECREASE) REV REQUIREMENT	
	TAXES OTHER THAN INCOME					
24	2ND STORY OFFICE BLDG	($512)	$0	($512)	($528)	Per Last Rate Case
25		$0	$0	$0	$0	
26		$0	$0	$0	$0	
27		$0	$0	$0	$0	
28	TOTAL TAXES OTHER THAN INCOME ADJS	($512)	$0	($512)	($528)	
	FEDERAL INCOME TAXES					
29	INTEREST SYNC.	($16,221)	$0	($16,221)	($16,723)	Interest synchronization adjustment
30	*ACQUISITION ADJ.*	$10,946	$0	$10,946	$11,285	Per Last Rate Case
31	UNREGULATED REVENUES	($121,424)	($121,424)	$0	($125,179)	To adjust taxes on unregulated activities
32	OTHER	$37,600	$0	$37,600	$38,763	Per Last Rate Case
33	TOTAL FEDERAL INCOME TAX ADJUSTMENTS	($89,099)	($121,424)	$32,325	($91,854)	
	STATE INCOME TAXES					
34	INTEREST SYNC.	($2,718)	$0	($2,718)	($2,802)	Interest synchronization adjustment
35	*ACQUISITION ADJ.*	$1,834	$0	$1,834	$1,891	Per Last Rate Case
36	UNREGULATED REVENUES	($20,344)	($20,344)	$0	($20,973)	To adjust taxes on unregulated activities
37	OTHER	$6,299	$0	$6,299	$6,494	Per Last Rate Case
38	TOTAL STATE INCOME TAX ADJUSTMENTS	($14,929)	($20,344)	$5,415	($15,390)	
	DEFERRED INCOME TAXES					
39	DEFFERED INCOME TAX	$0	$0	$0	$0	
40		$0	$0	$0	$0	
41	TOTAL DEFERRED TAX ADJUSTMENTS	$0	$0	$0	$0	
42	TOTAL ALL ADJUSTMENTS	$116,167	$229,624	($113,457)	$119,762	

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-1

SCHEDULE C-3 | OPERATING REVENUES BY MONTH | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE OF OPERATING REVENUE BY MONTH, AND IN TOTAL BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	(1) JAN 99	(2) FEB 99	(3) MARCH 99	(4) APRIL 99	(5) MAY 99	(6) JUNE 99	(7) JULY 99	(8) AUG 99	(9) SEPT 99	(10) OCT 99	(11) NOV 99	(12) DEC 99	TOTAL
1	480	RESIDENTIAL	$ 360,721	$ 252,603	$ 301,658	$ 255,156	$ 198,918	$ 167,408	$ 159,240	$ 155,795	$ 153,192	$ 164,592	$ 205,076	$ 292,502	$ 2,666,861
2	481	COMMERCIAL & INDUSTRIAL	$ 1,267,486	$ 1,104,218	$ 1,179,431	$ 1,066,678	$ 1,049,182	$ 944,968	$ 921,463	$ 885,946	$ 853,825	$ 1,013,032	$ 1,211,434	$ 1,434,867	$ 12,932,530
3	483	*SALES FOR RESALE*	$ 58,196	$ 38,599	$ 32,362	$ 125,533	$ 10,836	$ -	$ -	$ 202,487	$ 43,501	$ 373,143	$ -	$ -	$ 884,657
4		SUB-TOTAL	$ 1,686,403	$ 1,395,420	$ 1,513,451	$ 1,447,367	$ 1,258,936	$ 1,112,376	$ 1,080,703	$ 1,244,228	$ 1,050,518	$ 1,550,767	$ 1,416,510	$ 1,727,369	$ 16,484,048
5	488	MISC. SERVICE REVENUE	$ 39,453	$ 35,966	$ 50,016	$ 39,972	$ 33,869	$ 29,273	$ 31,832	$ 43,914	$ 41,844	$ 93,252	$ 31,270	$ 334,015	$ 804,676
6	493	RENT FROM GAS PROPERTY	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7	495	OTHER GAS REVENUES	$ 464	$ 330	$ 420	$ 570	$ 259	$ 540	$ 420	$ 420	$ 420	$ 330	$ 510	$ 525	$ 5,208
8		TOTAL OTHER OPER. REV	$ 39,917	$ 36,296	$ 50,436	$ 40,542	$ 34,128	$ 29,813	$ 32,252	$ 44,334	$ 42,264	$ 93,582	$ 31,780	$ 334,540	$ 809,884
9		TOTAL OPER. REVENUES	$ 1,726,320	$ 1,431,716	$ 1,563,887	$ 1,487,909	$ 1,293,064	$ 1,142,189	$ 1,112,955	$ 1,288,562	$ 1,092,782	$ 1,644,349	$ 1,448,290	$ 2,061,909	$ 17,293,932

SUPPORTING SCHEDULES: E-1 p.1

SCHEDULE C-4 | UNBILLED REVENUES | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: PROVIDE (1) THE DETAILED CALCULATION OF THE 13-MONTH AVERAGE BALANCE OF UNBILLED REVENUES INCLUDED IN THE HISTORIC BASE YEAR RATE BASE AND (2) THE DETAILED CALCULATION OF UNBILLED REVENUES INCLUDED IN THE HISTORIC BASE YEAR NET OPERATING INCOME. THE CALCULATIONS SHOULD BE SHOWN ON A MONTHLY BASIS. ALL SUPPORTING SCHEDULES SHOULD BE INSERTED IMMEDIATELY FOLLOWING THIS SCHEDULE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPUTATION OF UNBILLED REVENUES

LINE NO.		Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	13 MO. AVERAGE
1	Account 1421-A/R Unbilled Revenue Balance	181,362	181,362	181,362	188,949	188,949	188,949	136,009	136,009	136,009	110,483	110,483	110,483	196,361	157,444
2	Account 1421-Unbilled Revenue Balance	8,520	8,520	8,520	(7,587)	(7,587)	(7,587)	45,353	45,353	45,353	70,879	70,879	70,879	(14,999)	25,884

* DEDUCT INTERRUPTIBLE REVENUES IF INTERRUPTIBLE METERS ARE READ ON THE LAST DAY OF MONTH

SUPPORTING SCHEDULES: E-1 p.0

RECAP SCHEDULES: C-2 p.1

SCHEDULE C-5 | OPERATION & MAINTENANCE EXPENSES | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE ACTUAL MONTHLY OPERATION AND MAINTENANCE EXPENSES BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	(1) JAN 99	(2) FEB 99	(3) MAR 99	(4) APR 99	(5) MAY 99	(6) JUNE 99	(7) JULY 99	(8) AUG 99	(9) SEPT 99	(10) OCT 99	(11) NOV 99	(12) DEC 99	TOTAL
		OTHER GAS SUPPLY EXPENSES													
		OPERATION													
1		NATURAL GAS PURCHASES	$ 914,546	$ 756,136	$ 794,550	$ 799,795	$ 685,955	$ 622,790	$ 560,689	$ 763,372	$ 563,364	$ 1,009,219	$ 774,860	$ 905,821	$ 9,151,097
2		LESS: COMPANY USED GAS	$ (50)	$ (88)	$ (80)	$ (92)	$ (81)	$ (94)	$ (108)	$ (159)	$ (121)	$ -	$ -	$ -	$ (873)
3	804	COST OF GAS	$ 914,496	$ 756,048	$ 794,470	$ 799,703	$ 685,874	$ 622,696	$ 560,581	$ 763,213	$ 563,243	$ 1,009,219	$ 774,860	$ 905,821	$ 9,150,224
		DISTRIBUTION EXPENSES													
		OPERATION													
4	870	SUPERVISION & ENGINEERING	$ 12,532	$ 12,744	$ 12,327	$ 13,048	$ 11,610	$ 12,858	$ 14,247	$ 11,723	$ 14,826	$ 13,366	$ 14,762	$ 6,453	$ 150,516
5	871	DISTRIBUTN LOAD DISPATCHNG	$ 6,267	$ 5,830	$ 7,123	$ 7,078	$ 6,687	$ 7,647	$ 8,588	$ 6,383	$ 8,061	$ 7,308	$ 7,502	$ 7,425	$ 85,899
6	872	COMPRESSOR STATION	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7	873	COMPRESSOR STA. FUEL	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	874	MAINS & SERVICES	$ 13,288	$ 11,108	$ 18,082	$ 14,507	$ 13,695	$ 15,713	$ 22,475	$ 16,686	$ 17,326	$ 16,721	$ 16,567	$ 21,937	$ 198,105
9	875	MEAS & REG - GENERAL	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10	876	MEAS & REG - INDUSTRIAL	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11	877	MEAS & REG - CITY GATE	$ 48	$ -	$ -	$ -	$ -	$ 8,283	$ 965	$ 12,575	$ 169	$ 85	$ 51	$ 188	$ 22,364
12	878	METER & HOUSE REG EXPENSE	$ 17,789	$ 19,840	$ 26,103	$ 23,926	$ 21,792	$ 22,317	$ 24,613	$ 24,681	$ 28,534	$ 26,555	$ 27,060	$ 31,508	$ 294,718
13	879	CUSTOMER INSTALLATIONS	$ 21,516	$ 27,701	$ 30,935	$ 26,597	$ 26,864	$ 27,438	$ 29,725	$ 30,657	$ 31,295	$ 29,492	$ 44,023	$ 46,021	$ 372,264
14	880	OTHER EXPENSE	$ 7,023	$ 6,608	$ 6,783	$ 8,685	$ 4,684	$ 4,922	$ 5,581	$ 2,725	$ 7,505	$ 7,949	$ 7,907	$ 7,890	$ 78,262
15	881	RENTS	$ 698	$ 1,436	$ 1,370	$ 711	$ 500	$ (107)	$ 4,244	$ 433	$ 133	$ 2,141	$ 2,223	$ 16,667	$ 30,449
16		*TOTAL OPERATION*	$ 79,161	$ 85,267	$ 102,723	$ 94,552	$ 85,832	$ 99,071	$ 110,438	$ 105,863	$ 107,849	$ 103,617	$ 120,115	$ 138,089	$ 1,232,577
		MAINTENANCE													
17	885	SUPERVISION & ENGINEERING	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
18	886	STRUCTURES & IMPROVEMENT	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
19	887	MAINS	$ 7,732	$ 6,114	$ 7,486	$ 6,153	$ 5,387	$ 7,719	$ 7,575	$ 4,498	$ 7,409	$ 7,889	$ 10,521	$ 17,848	$ 98,331
20	889	MEAS & REG - GENERAL	$ 41	$ 1,885	$ 894	$ 1,282	$ 1,880	$ 555	$ 1,095	$ 644	$ 1,161	$ 310	$ 958	$ 1,511	$ 12,216
21	890	MEAS & REG - INDUSTRIAL	$ 3,142	$ 4,627	$ 1,721	$ 3,519	$ 4,422	$ 5,024	$ 3,132	$ 4,297	$ 7,010	$ 6,870	$ 6,308	$ 6,140	$ 56,212
22	891	MEAS & REG - GATE STATION	$ 3,115	$ 2,462	$ 1,552	$ 602	$ 1,976	$ 1,175	$ 1,753	$ 2,690	$ 1,097	$ 1,005	$ 1,719	$ 1,240	$ 20,386
23	892	SERVICES	$ 2,183	$ 1,218	$ 1,670	$ 1,841	$ 1,794	$ 1,585	$ 3,726	$ 1,848	$ 2,488	$ 3,197	$ 4,615	$ 6,319	$ 32,484
24	893	METERS & HOUSE REGULATOR	$ 855	$ 4,005	$ 20,815	$ 4,115	$ 2,683	$ 4,504	$ 1,134	$ 6,172	$ 4,703	$ 8,044	$ 412	$ 11,823	$ 69,265
25	894	OTHER EQUIPMENT	$ 944	$ 871	$ 1,799	$ 781	$ 1,511	$ 1,432	$ 835	$ 2,457	$ 1,336	$ 2,127	$ 2,080	$ 2,124	$ 18,297
26		TOTAL MAINTENANCE	$ 18,012	$ 21,182	$ 35,937	$ 20,293	$ 19,653	$ 21,994	$ 19,250	$ 22,606	$ 25,204	$ 29,442	$ 26,613	$ 47,005	$ 307,191

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-1

SCHEDULE C-5

OPERATION & MAINTENANCE EXPENSES

PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE ACTUAL MONTHLY OPERATION AND MAINTENANCE EXPENSES BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	A/C NO.	DESCRIPTION	(1) JAN 99	(2) FEB 99	(3) MAR 99	(4) APR 99	(5) MAY 99	(6) JUNE 99	(7) JULY 99	(8) AUG 99	(9) SEPT 99	(10) OCT 99	(11) NOV 99	(12) DEC 99	TOTAL
		CUSTOMER ACCOUNTS EXPENSE													
1	901	SUPERVISION	$ 5,952	$ 6,072	$ 8,766	$ 6,710	$ 6,351	$ 7,175	$ 7,245	$ 6,481	$ 7,473	$ 7,210	$ 7,713	$ 8,079	$ 85,227
2	902	METER READING EXPENSE	$ 9,317	$ 12,018	$ 4,128	$ 9,976	$ 6,616	$ 6,898	$ 7,257	$ 3,646	$ 7,589	$ 7,083	$ 6,570	$ 9,494	$ 90,592
3	903	CUS RECORDS & COLLECTIONS	$ 22,861	$ 24,338	$ 37,947	$ 32,900	$ 30,092	$ 25,532	$ 29,263	$ 27,793	$ 28,495	$ 26,512	$ 20,307	$ 38,152	$ 344,212
4	904	UNCOLLECTIBLE ACCOUNTS	$ 2,469	$ 2,134	$ 2,308	$ 2,179	$ 1,913	$ 1,832	$ 1,704	$ 1,899	$ 1,645	$ 1,802	$ 2,677	$ 2,688	$ 25,250
5	905	MISCELLANEOUS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6		TOTAL CUSTOMER ACCOUNTS	$ 40,599	$ 44,562	$ 53,149	$ 51,765	$ 44,972	$ 41,437	$ 45,489	$ 39,819	$ 45,202	$ 42,607	$ 37,267	$ 58,413	$ 545,281
		CUSTOMER SVCE & INFORMATION													
7	908	CONSERVATION EXPENSE	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	909	CONSERVATION ADVERTISING	$ 2,849	$ 966	$ 2,592	$ 3,817	$ 1,452	$ 1,090	$ 3,277	$ 576	$ 200	$ 12	$ 764	$ 10,281	$ 27,876
9		TOTAL CUSTOMER SVCE & INFO	$ 2,849	$ 966	$ 2,592	$ 3,817	$ 1,452	$ 1,090	$ 3,277	$ 576	$ 200	$ 12	$ 764	$ 10,281	$ 27,876
		SALES EXPENSE			$ -										
10	911	SUPERVISION	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11	912	DEMONSTRATING & SELLING	$ 25,320	$ 26,313	$ 21,157	$ 26,913	$ 24,717	$ 25,496	$ 26,842	$ 26,559	$ 32,236	$ 31,401	$ 34,418	$ 35,969	$ 337,341
12	913	ADVERTISING	$ 300	$ 300	$ 315	$ 1,369	$ 1,268	$ 113	$ 80	$ -	$ 235	$ 592	$ 13,706	$ 53	$ 18,331
13	916	MISC. SALES EXPENSE	$ 60	$ 17	$ 93	$ -	$ 1,781	$ 92	$ -	$ 534	$ -	$ 22	$ 142	$ 75	$ 2,816
14		TOTAL SALES EXPENSE	$ 25,680	$ 26,630	$ 21,565	$ 28,282	$ 27,766	$ 25,701	$ 26,922	$ 27,093	$ 32,471	$ 32,015	$ 48,266	$ 36,097	$ 358,488
		ADMINISTRATIVE & GEN EXP													
15	920	ADMIN & GEN SALARIES	$ 39,987	$ 41,711	$ 61,757	$ 39,857	$ 43,827	$ 46,619	$ 50,058	$ 48,956	$ 50,277	$ 48,771	$ 46,284	$ 38,586	$ 556,690
16	921	OFFICE SUPPLIES & EXP	$ 21,484	$ 20,519	$ 33,496	$ 22,409	$ 18,154	$ 25,294	$ 27,980	$ 24,487	$ 28,760	$ 21,355	$ 18,966	$ 47,684	$ 310,588
17	922	ADMIN EXP TRANS (CR)	$ (3,964)	$ (5,891)	$ (5,876)	$ (5,509)	$ (5,577)	$ (15,959)	$ (4,212)	$ (4,746)	$ (4,715)	$ (5,640)	$ (4,131)	$ 7,410	$ (58,810)
18	923	OUTSIDE SERVICES EMPLOYEE	$ 15,619	$ 20,335	$ 29,086	$ 24,439	$ 17,883	$ 31,067	$ 39,898	$ 25,935	$ 17,819	$ 30,753	$ 21,328	$ 59,811	$ 333,973
19	924	PROPERTY INSURANCE	$ 786	$ 886	$ 786	$ 786	$ 786	$ 786	$ 1,187	$ 956	$ 786	$ 1,338	$ 900	$ 691	$ 10,674
20	925	INJURIES & DAMAGES	$ 11,060	$ 10,639	$ 10,962	$ 12,172	$ 10,752	$ 11,089	$ 15,094	$ 11,139	$ 13,454	$ 13,016	$ 10,957	$ 10,951	$ 141,285
21	926	EMPLOYEE PENSION & BENEFI	$ 37,327	$ 35,658	$ 36,742	$ 25,077	$ 32,454	$ 30,312	$ 29,785	$ 29,289	$ 29,943	$ 35,158	$ 32,913	$ 37,971	$ 392,629
22	928	REGULATORY COMMISSION EXI	$ 330	$ 615	$ 2,175	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,120
23	930	MISC. GENERAL EXPENSE	$ 4,520	$ 2,354	$ 8,539	$ 6,578	$ 6,120	$ 12,039	$ 4,225	$ 5,068	$ 3,969	$ 5,072	$ 6,732	$ 10,958	$ 76,174
24	931	RENTS	$ 4,396	$ 4,396	$ 4,396	$ 4,771	$ 4,881	$ 4,873	$ 4,881	$ 4,218	$ 4,218	$ 4,218	$ 4,695	$ 4,218	$ 54,161
25	932	MAINT OF GENERAL PLANT	$ 160	$ 1,792	$ 2,014	$ 1,516	$ 1,580	$ 1,963	$ 3,040	$ 1,505	$ 1,983	$ 1,942	$ 1,898	$ 2,724	$ 22,117
26		TOTAL A & G EXPENSE	$ 131,705	$ 133,014	$ 184,077	$ 132,096	$ 130,860	$ 148,083	$ 171,936	$ 146,807	$ 146,494	$ 155,983	$ 140,542	$ 221,004	$ 1,842,601
27		TOTAL EXPENSE	$ 1,212,502	$ 1,067,669	$ 1,194,513	$ 1,130,508	$ 996,409	$ 960,072	$ 937,893	$ 1,105,977	$ 920,663	$ 1,372,895	$ 1,148,427	$ 1,416,710	$ 13,464,238

SUPPORTING SCHEDULES: C-9

RECAP SCHEDULES: C-1

SCHEDULE C-8

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

ALLOCATION OF EXPENSES

EXPLANATION: PROVIDE A SCHEDULE DETAILING EXPENSES WHICH ARE SUBJECT TO ALLOCATION BETWEEN REGULATED AND NON-REGULATED OPERATIONS SHOWING GROSS AMOUNTS AND AMOUNTS ALLOCATED TO REGULATED EXPENSES AND A *DETAILED* DESCRIPTION OF ALLOCATION USED.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	DESCRIPTION	ACCOUNT NUMBERS	GROSS AMOUNT	ALLOCATED TO NON-REGULATED PERCENTAGE	ALLOCATED TO NON-REGULATED AMOUNT	REGULATED AMOUNT	DESCRIPTION OF ALLOCATION METHODS*
1	OFFICE FURN & EQUIPMENT	403-391	$38,509	7.2%	$2,791	$35,718	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
2	AUTOS & TRUCKS	403-392	3,167	7.2%	$230	$2,937	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
3	COMPUTER EQUIPMENT	403-397	9,872	7.2%	$716	$9,156	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
4	TOTAL		$51,549		$3,737	$47,812	

* ATTACH ADDITIONAL PAGES AS NEEDED TO FULLY EXPLAIN ALLOCATION METHODS.

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-2

SCHEDULE C-7 | CONSERVATION REVENUES AND EXPENSES | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE ITEMIZING REVENUES PURSUANT TO RULE 25-17.015 AND EXPENSES INCURRED PURSUANT TO THE COMMISSION PRESCRIBED CONSERVATION GOALS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	ACCT. NO.	DESCRIPTION		AMOUNT
1	1867	REVENUES	JAN	$36,934
2	1867		FEB	$27,519
3	1867		MAR	$32,614
4	1867		APR	$34,179
5	1867		MAY	$27,535
6	1867		JUN	$23,928
7	1867		JUL	$22,152
8	1867		AUG	$21,465
9	1867		SEP	$20,528
10	1867		OCT	$23,127
11	1867		NOV	$27,695
12	1867		DEC	$39,134
13		ENERGY CONSERVATION REVENUES		$336,808
14	1867	EXPENSES	JAN	$6,021
15	1867		FEB	$35,851
16	1867		MAR	$10,001
17	1867		APR	$32,771
18	1867		MAY	$14,813
19	1867		JUN	$59,951
20	1867		JUL	$28,900
21	1867		AUG	$22,008
22	1867		SEP	$15,156
23	1867		OCT	$30,584
24	1867		NOV	$22,096
25	1867		DEC	$54,206
26		TOTAL ENERGY CONSERVATION EXPENSES		$290,484

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-2 p.1

SCHEDULE C-8 | UNCOLLECTIBLE ACCOUNTS | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE OF BALANCE SHEET ACCOUNTS FOR THE PROVISION OF UNCOLLECTIBLE ACCOUNTS BY MONTH

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR - 1: 12/31/98
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPFOR THE HISTORIC BASE YEAR AND 2 PRIOR YEARS.

DOCKET NO.: 000108-GU

LINE NO.	YEAR	BEGINNING BALANCE	PROVISION ACCRUAL	BAD DEBT WRITE OFFS	RECOVERIES & ADJUSTMENTS	COVERED BY CUSTOMER DEPOSIT**	ENDING BALANCE
	HISTORIC BASE YEAR						
1	Jan-99	($33,291)	(2,469)	3,482	(306)	$0	($32,585)
2	Feb-99	(32,585)	(2,134)	2,028	(332)	0	(33,023)
3	Mar-99	(33,023)	(2,308)	928	(754)	0	(35,157)
4	Apr-99	(35,157)	(2,179)	6,208	(12)	0	(31,140)
5	May-99	(31,140)	(1,913)	3,445	(649)	0	(30,257)
6	Jun-99	(30,257)	(1,832)	1,712	(147)	0	(30,524)
7	Jul-99	(30,524)	(1,704)	3,071	(50)	0	(29,206)
8	Aug-99	(29,206)	(1,699)	1,413	(177)	0	(29,868)
9	Sep-99	(29,868)	(1,645)	1,800	0	0	(29,713)
10	Oct-99	(29,713)	(1,802)	622	(385)	0	(31,278)
11	Nov-99	(31,278)	(2,677)	794	(252)	0	(33,412)
12	Dec-99	(33,412)	(2,688)	2,152	0	0	(33,949)
13	TOTAL		(25,250)	27,657	(3,064)		
	PRIOR YEAR						
14	Jan-98	($67,257)	($2,398)	$2,655	($3,274)	0	($70,274)
15	Feb-98	(70,274)	(1,974)	6,485	(171)	0	(65,934)
16	Mar-98	(65,934)	0	0	(594)	0	(66,529)
17	Apr-98	(66,529)	(4,637)	5,766	(182)	0	(65,581)
18	May-98	(65,581)	(1,809)	0	(96)	0	(67,486)
19	Jun-98	(67,486)	(1,948)	40,110	(785)	0	(30,110)
20	Jul-98	(30,110)	(1,830)	7,856	(87)	0	(24,170)
21	Aug-98	(24,170)	(1,688)	2,587	(122)	0	(23,393)
22	Sep-98	(23,393)	(1,573)	2,473	(36)	0	(22,530)
23	Oct-98	(22,530)	(1,740)	630	(73)	0	(23,712)
24	Nov-98	(23,712)	(1,845)	1,221	(148)	0	(24,483)
25	Dec-98	(24,483)	(2,041)	2,266	(9,033)	0	(33,291)
26	TOTAL		(23,482)	72,048	(14,601)		

** IF DATA IS NOT READILY AVAILABLE, PROVIDE A WRITTEN EXPLANATION AS TO THE REASON.

SUPPORTING SCHEDULES: B-1 p.1, B-13

RECAP SCHEDULES:

SCHEDULE C-8 | UNCOLLECTIBLE ACCOUNTS | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE OF BALANCE SHEET ACCOUNTS FOR THE PROVISION OF UNCOLLECTIBLE ACCOUNTS BY MONTH FOR THE HISTORIC BASE YEAR AND 2 PRIOR YEARS.

TYPE OF DATA SHOWN:
HISTORIC BASE YR - 2: 12/31/97
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP

DOCKET NO.: 000108-GU

HISTORIC BASE YR - 2

LINE NO.	PRIOR YEAR	BEGINNING BALANCE	PROVISION ACCRUAL	BAD DEBT WRITE OFFS	RECOVERIES & ADJUSTMENTS	COVERED BY CUSTOMER DEPOSIT	ENDING BALANCE
27	Jan-97	($52,736)	($3,215)	$3,042	($131)	0	($53,040)
28	Feb-97	(53,040)	(2,659)	3,850	(288)	0	(52,137)
29	Mar-97	(52,137)	(2,402)	3,560	(468)	0	(51,446)
30	Apr-97	(51,446)	(2,561)	6,650	(509)	0	(47,866)
31	May-97	(47,866)	(2,278)	3,447	(364)	0	(47,060)
32	Jun-97	(47,060)	(2,346)	9,676	(37)	0	(39,768)
33	Jul-97	(39,768)	(2,124)	2,952	(390)	0	(39,329)
34	Aug-97	(39,329)	(1,996)	4,008	(1,174)	0	(38,492)
35	Sep-97	(38,492)	(2,195)	1,943	(191)	0	(38,936)
36	Oct-97	(38,936)	(2,596)	2,984	(51)	0	(38,599)
37	Nov-97	(38,599)	(2,439)	1,572	(190)	0	(39,656)
38	Dec-97	(39,656)	(2,250)	2,414	(27,766)	0	(67,257)
39	TOTAL		(29,062)	46,099	(31,558)		

** IF DATA IS NOT READILY AVAILABLE, PROVIDE A WRITTEN EXPLANATION AS TO THE REASON.

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE C-9 | ADVERTISING EXPENSES | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE OF ADVERTISING EXPENSES BY SUB-ACCOUNT FOR THE HISTORIC BASE YEAR AND PRIOR YEAR FOR EACH TYPE OF ADVERTISING.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.. 000108-GU

ADVERTISING EXPENSES FOR THE HISTORIC BASE YEAR ENDED 12/31/99

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	TOTAL PER BOOKS	*JURISDICTIONAL AMOUNT*
1	913	ADVERTISING	$ 18,331	$0
2		TOTAL ADVERTISING EXPENSE	$18,331	$0

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE C-9 | ADVERTISING EXPENSES | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE OF ADVERTISING EXPENSES BY SUB-ACCOUNT FOR THE HISTORIC BASE YEAR AND PRIOR YEAR FOR EACH TYPE OF ADVERTISING.

TYPE OF DATA SHOWN:
HISTORIC BASE YR - 1: 12/31/98
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

ADVERTISING EXPENSES FOR THE YEAR PRIOR TO THE HISTORIC BASE YEAR

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	TOTAL PER BOOKS	JURISDICTIONAL AMOUNT
1	913	ADVERTISING	$ 7,990	$0
2		TOTAL ADVERTISING EXPENSE	$7,990	$0

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-5 p.2

SCHEDULE C-10 | CIVIC AND CHARITABLE CONTRIBUTIONS | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE OF CIVIC AND CHARITABLE CONTRIBUTIONS INCLUDED IN NET OPERATING INCOME FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

LINE NO.	DESCRIPTION	TOTAL	AMOUNT ALLOCATED TO NON-REGULATED	AMOUNT REGULATED
1	USF CROSS COUNTRY/TRACK	$ 2,500	$0	$ 2,500
2	KISS/OSCEOLA CHAMBER	$ 50	0	$ 50
3	LAKE WALES CHAMBER	$ 299	0	$ 299
4	KIWANIS CLUB OF WINTER HAVEN	$ 300	0	$ 300
5	POLK ECONOMIC EDUCATION	$ 50	0	$ 50
6	POLK COUNTY BUILDERS	$ 250	0	$ 250
7	INWOOD ELMENTARY	$ 100	0	$ 100
8	WINTER HAVEN SENIOR HIGH	$ 190	0	$ 190
9	ST CLOUD CHAMBER	$ 510	0	$ 510
10	WINTER HAVEN CHAMBER	$ 1,026	0	$ 1,026
11	ROTARY CLUB IN WINTER HAVEN	$ 1,025	0	$ 1,025
12	WINTER HAVEN CHRISTIAN	$ 100	0	$ 100
13	HAVEN CHRISTIAN ACADEMY	$ 100	0	$ 100
14	ALL SAINTS ACADEMY	$ 100	0	$ 100
15	WINTER HAVEN FOUNDATION	$ 500	0	$ 500
16	LAKE REGION YACHT AND COUNTRY CLUB	$ 200	0	$ 200
17	CITRUS 20/20	$ 500	0	$ 500
18	AMERICAN CANCER SOCIETY	$ 50	0	$ 50
19	WINTER HAVEN MAIN STREET	$ 1,250	0	$ 1,250
20	AUBURNDALE HIGH SCHOOL	$ 100	0	$ 100
21	MULBERRY CHAMBER OF COMMERCE	$ 375	0	$ 375
22	GULF RIDGE COUNCIL	$ 50	0	$ 50
23	INVERNESS SERTOMA	$ 275	0	$ 275
24	PLANT CITY CHAMBER	$ 100	0	$ 100
25	UNITED WAY OF CENTRAL FLORIDA	$ 2,000	0	$ 2,000
26	GREATER BARTOW CHAMBER	$ 180	0	$ 180
27	CITRUS COUNTY ECONOMIC DEVEL.	$ 150	0	$ 150
28	POLK COUNTY GAS ASSOC.	$ 200	0	$ 200
29	CLEVELAND INDIANS	$ 746	0	$ 746
30	MEALS ON WHEELS	$ 1,800	0	$ 1,800
31	NATIONAL FIRE SAFETY	$ 100	0	$ 100
32	HAINES CITY HIGH SCHOOL	$ 2,500	0	$ 2,500
33	SNIVELY ELEMENTARY	$ 2,500	0	$ 2,500
34	WAHNETA ELEMENTARY	$ 1,500	0	$ 1,500
35	ALTA VISTA ELEMENTARY	$ 1,000	0	$ 1,000
36	REIMBURSEMENT TO EMPLOYEES	$ 984	0	$ 984
37	MISC.-PRIINTING	$ 2,217	0	$ 2,217
38	TOTAL	$ 25,877	$0	$ 25,877

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-2 p.1, C-5 p.2

SCHEDULE C-11 | INDUSTRY ASSOCIATION DUES | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE OF INDUSTRY ASSOCIATION DUES INCLUDED IN NET OPERATING INCOME BY ORGANIZATION FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

INDUSTRY ASSOCIATION DUES FOR THE 12 MONTHS ENDED 12/31/99

LINE NO.	ORGANIZATION	AMOUNT
1	ASSOCIATED GAS DIST	10,000
2	POLK COUNTY GAS ASSOC	120
3	GREATER GULF COAST GAS	100
4	FLORIDA NATURAL GAS ASSOC	4,009
5	AMERICAN GAS ASSOCIATION	10,656
6	SOUTHERN GAS ASSOCIATION	2,757
7		
8		
9		
10		
11		
12		
13		
14	TOTAL	27,642

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-5 p.2

SCHEDULE C-12

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LOBBYING AND OTHER POLITICAL EXPENSES

EXPLANATION: PROVIDE A SCHEDULE, BY ORGANIZATION, OF EXPENSES FOR LOBBYING, CIVIC, POLITICAL AND RELATED ACTIVITIES INCLUDED IN NET OPERATING INCOME FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	ORGANIZATION	AMOUNT
1	FNG - PAC	$ 2,000
2		0
3		0
4		0
5		0
6		0
7	TOTAL	$ 2,000

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-5 p.2

SCHEDULE C-13

TOTAL RATE CASE EXPENSE AND COMPARISONS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A COMPARISON OF RATE CASE EXPENSES INCURRED OR ANTICIPATED FOR THE CURRENT AND MOST RECENT PRIOR CASE WITH EXPLANATION OF ANY CHANGES WHICH EXCEED 10% ON AN INDIVIDUAL ITEM BASIS. ALSO PROVIDE AN AMORTIZATION SCHEDULE OF RATE CASE EXPENSE AS A PERCENTAGE OF RATE BASE AND OPERATING REVENUES AND THE AMOUNT PER CUSTOMER

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPARISON OF CURRENT RATE CASE EXPENSES WITH PRIOR CASE

LINE NO	DESCRIPTION	PRIOR CASE 1989	CURRENT CASE 2000	PERCENT CHANGE (TOTAL)	PERCENT CHANGE (ANNUAL)	REASON FOR CHANGE (IF 10% OR GREATER)
1	OUTSIDE CONSULTANTS: COST OF CAPITAL	$12,000	$41,000	241.67%	120.83%	Prior rate case stipulated while these are projections through the conclusion of the formal hearing process; these projections reflect more extensive involvement by outside consultants and attorneys given the broader scope of this case; higher hourly rates for attorney than 10 years ago. For more detailed explanation, see Mr. Williams' and Mr. Geoffroy's pre-filed direct testimony.
2	OUTSIDE CONSULTANTS: COST OF SERVICE	14,600	25,000	71.23%	35.62%	
3	LEGAL SERVICES	40,000	97,500	143.75%	71.88%	
4	OTHER EXPENSES	6,000	80,000	1233.33%	616.67%	
5	TOTAL	$72,600	$243,500	235.40%	117.70%	

SCHEDULE OF RATE CASE AMORTIZATION IN THE HISTORIC BASE YEAR

LINE NO.	DESCRIPTION	TOTAL EXPENSES	RATE ORDER AMORTIZATION DATE	RATE ORDER AMORTIZATION PERIOD	AMORTIZED AMOUNT 12 ME 6/30/88	12 ME 6/30/89	12 ME 6/30/90	12 ME 6/30/91	UNAMORTIZED BALANCE
6	PRIOR CASE: 870118-GU	$88,221	1/26/88	2 YEARS	$22,055	$44,110	$22,056	$0	$0
7	PRIOR CASE: 891179-GU	72,600	6/30/89	3 YEARS	0	24,200	24,200	24,200	$0
8	CURRENT CASE: 000108-GU	243,500	UNKNOWN	4 YEARS	0	0	0	0	$243,500
9	TOTAL	$404,321			$22,055	$68,310	$46,256	$24,200	$243,500

		DOCKET NO. 870118-GU	DOCKET NO. 891179-GU	DOCKET NO. 000108-GU
10	RATE CASE EXPENSE INCURRED (ANTICIPATED) AS A PERCENTAGE OF RATE BASE *	1.4321%	0.7298%	1.1420%
11	RATE CASE EXPENSE INCURRED (ANTICIPATED) AS A PERCENTAGE OF REVENUE *	0.6064%	0.3924%	2.5564%
12	RATE CASE EXPENSE INCURRED (ANTICIPATED) PER CUSTOMER *	$14.86	$8.92	$20.67

* Per projected test year-2001

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-5 p.2

SCHEDULE C-14 | MISCELLANEOUS GENERAL EXPENSE | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE BY TYPE OF CHARGE, OF THE CHARGES TO ACCOUNT 930 (MISCELLANEOUS GENERAL EXPENSES) FOR THE HISTORIC BASE YEAR. PROVIDE ALSO THE AMOUNT ALLOCATED TO UTILITY OPERATIONS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

MISCELLANEOUS GENERAL EXPENSES FOR THE 12 MONTHS ENDED 12/31/99

LINE NO.	SUB ACCOUNT NUMBER	DESCRIPTION	TOTAL	UTILITY AMOUNT
1	930.1	GENERAL ADVERTISING EXPENSE	$3,696	$3,696
2	930.2	MISCELLANEOUS	113	113
3	930.201	DIRECTOR FEES	19,006	19,006
4	930.202	BOARD MEETING EXPENSE	5,394	5,394
5	930.203	CORPORATE REPORTS	13,959	13,959
6	930.204	OTHER CORPORATE EXPENSE	34,005	34,005
7		TOTAL	$76,174	$76,174

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-5 p.2

SCHEDULE C-15 | OUT OF PERIOD ADJUSTMENTS TO REVENUES AND EXPENSES | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A LIST OF OUT OF PERIOD ITEMS FOR THE HISTORIC BASE YEAR AND THE RELATED ADJUSTMENTS TO OPERATING REVENUES AND EXPENSES BY PRIMARY ACCOUNT.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	ACCOUNT NO.	ACCOUNT TITLE	(1) DESCRIPTION	(2) DATE INCURRED	(3) DEBIT	(4) CREDIT
1	893	MAINT METER & HOUSE REGULATOR	METER REPAIRS	Jan-99		$474
2	912	DEMONSTRATION AND SELLING	BONUS ACCRUAL FOR 1998 REVERSED	Mar-99	$10,000	
3	920	ADMIN AND GENERAL SALARIES	REVERSAL OF 1998 SHORT TERM BONUS	Mar-99	$6,070	
4	920	ADMIN AND GENERAL SALARIES	BONUS CHECKS FOR EMPLOYEES FOR 1998 EVALUATIONS	Mar-99		$5,329
5	923	OUTSIDE SERVICE-OTHER	REVERSE MANUAL ACCOUNTS PAYBLE ACCRUAL FOR CONSULTING FEES	Jan-99	$1,155	
6	878	TURN ON/OFF EXPENSE	ELECTRIC BILL FOR DEC 98 SERVICE	Jan-99	$136	
7				TOTAL	$17,361	$5,803

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-2

SCHEDULE C-16 | GAINS AND LOSSES ON DISPOSITION OF PLANT OR PROPERTY | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: *PROVIDE A SCHEDULE OF GAINS AND LOSSES ON DISPOSITION OF* PROPERTY PREVIOUSLY USED IN PROVIDING GAS SERVICE FOR THE HISTORIC BASE YEAR AND FOUR PRIOR YEARS. LIST AMOUNTS ALLOWED IN PRIOR RATE CASES, AND THE HISTORIC YEAR OF SUCH PRIOR CASES.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR - 1: 12/31/98
HISTORIC BASE YR - 2: 12/31/97
HISTORIC BASE YR - 3: 12/31/96
HISTORIC BASE YR - 4: 12/31/95
WITNESS: WILLIAMS

GAINS AND LOSSES ON PROPERTY

DESCRIPTION OF PROPERTY	DATE ACQUIRED	DATE DISPOSED	ORIGINAL CLASSIFICATION	RECLASSIFICATION ACCOUNT	ORIGINAL AMOUNT RECORDED	*ADDITIONS* OR (RETIREMENTS)	*NET BOOK* VALUE ON DISPOSAL DATE	GAIN OR LOSS	AMOUNT ALLOWED PRIOR CASE	PRIOR CASES TEST YEAR ENDED

THE COMPANY DOES NOT RECORD GAINS OR LOSSES ON DISPOSITION OF PROPERTY PREVIOUSLY USED IN PROVIDING GAS SERVICE.

IT IS THE COMPANY'S POLICY TO CHARGE TO ACCUMULATED DEPRECIATION THE ORIGINAL COST OF PLANT RETIRED NET OF ASSOCIATED *SALVAGE AND COST OF REMOVAL.*

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE C-17

MONTHLY DEPRECIATION EXPENSE FOR THE HISTORIC BASE YEAR - 12 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE MONTHLY DEPRECIATION EXPENSE FOR EACH ACCOUNT OR SUB-ACCOUNT TO WHICH AN INDIVIDUAL DEPRECIATION RATE IS APPLIED.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	% RATE	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	TOTAL DEPRECIATION
1	301	ORGANIZATION	3.00%	$ 58	$ 58	$ 58	$ 58	$ 58	$ 58	$ 58	$ 58	$ 58	$ 58	$ 58	$ 58	$700
2	302	FRANCHISE AND CONSENT	3.00%	35	35	35	35	35	35	35	35	35	35	35	35	424
3	303	MISC INTANGIBLE PLANT	10.00%	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	100,262
4	374	LAND AND LAND RIGHTS	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0
5	375	STRUCTURES AND IMPROVEMENTS	3.00%	575	578	578	578	578	581	583	583	583	583	583	583	6,965
6	376	MAINS (STEEL)	3.20%	26,974	26,974	26,974	26,973	26,996	27,021	27,039	27,057	27,072	27,540	27,993	28,032	326,644
7	376	MAINS (PLASTIC)	3.50%	8,891	8,893	8,988	9,082	9,082	9,081	9,477	9,900	9,942	10,454	10,951	11,327	116,070
8	378	M & R EQUIPMENT - GENERAL	3.60%	1,624	1,624	1,628	1,636	1,642	1,634	1,642	1,660	1,667	1,675	1,675	1,699	19,806
9	379	M & R EQUIPMENT - CITY	3.50%	2,843	2,951	3,055	3,051	3,051	3,051	3,174	3,297	3,376	3,456	3,416	3,376	38,098
10	379	M & R EQUIPMENT - CITY(CIAC)	3.50%	0	0	0	0	0	0	0	0	0	0	0	0	0
11	380	DIST PLANT SERVICES (STEEL)	5.10%	4,588	4,584	4,577	4,567	4,560	4,558	4,552	4,546	4,545	4,542	4,539	4,532	54,691
12	380	DIST PLANT - SERVICES(CIAC)	5.50%	(514)	(514)	(514)	(514)	(514)	(514)	(514)	(514)	(514)	(514)	(514)	(514)	(6,171)
13	380	DIST PLANT-SERVICES(PLASTIC)	5.50%	8,337	8,438	8,541	8,594	8,657	8,718	8,781	8,854	8,939	9,073	9,211	9,431	105,575
14	381	METERS	4.50%	3,601	3,606	3,619	3,645	3,675	3,716	3,749	3,766	3,780	3,791	3,803	3,929	44,679
15	382	METER INSTALLATIONS	3.50%	1,894	1,899	1,901	1,901	1,903	1,912	1,923	1,929	1,934	1,939	1,944	1,960	23,040
16	383	REGULATORS	3.60%	2,064	2,068	2,079	2,089	2,089	2,089	2,101	2,124	2,141	2,147	2,152	2,169	25,315
17	384	REGULATOR INSTALL HOUSE	3.20%	0	0	0	0	0	0	0	0	0	0	0	0	0
18	385	M & R EQUIPMENT - INDUSTRIAL	4.00%	4,629	4,629	4,629	4,629	4,629	4,629	4,638	4,648	4,664	4,678	4,678	4,678	55,760
19	385	M & R EQUIPMENT - INDUS CIAC	4.00%	(490)	(490)	(490)	(490)	(490)	(490)	(490)	(490)	(490)	(490)	(490)	(490)	(5,881)
20	387	OTHER EQUIPMENT	16.80%	2,978	2,978	2,978	2,993	3,008	3,144	3,280	3,376	3,486	3,509	3,519	3,649	38,898
21	389	LAND AND LAND RIGHTS	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0
22	390	STRUCTURES AND IMPROVEMENTS	2.30%	639	638	638	638	639	641	641	641	641	641	641	641	7,679
23	391.1	DATA PROCESSING EQUIPMENT	14.30%	1,339	1,373	1,453	1,499	1,499	1,499	1,499	1,499	1,527	1,554	1,554	1,554	17,851
24	391.2	OFFICE FURNITURE	5.80%	408	408	408	408	408	408	408	408	408	408	408	412	4,902
25	391.3	OFFICE EQUIPMENT	9.40%	573	583	593	593	593	593	593	593	593	593	593	599	7,094
26	391.4	VAX SYSTEM EQUIPMENT	16.70%	698	698	698	698	986	698	698	698	698	698	698	698	8,663
27	392.3	TRANSPORTATION OTHER	2.90%	288	288	288	288	0	288	288	288	288	288	288	288	3,167
28	393	STORES EQUIPMENT	4.00%	0	0	0	0	0	0	0	0	0	0	0	0	0
29	394	TOOLS AND WORK EQUIPMENT	5.30%	317	331	340	338	341	341	341	341	341	341	341	341	4,054
30	396	POWER OPERATED EQUIPMENT	7.80%	1,746	1,746	1,746	1,746	1,784	1,822	1,822	1,860	1,898	1,898	1,898	1,898	21,883
31	397	COMMUNICATION EQUIPMENT	6.80%	167	167	167	167	167	167	167	167	167	167	167	167	2,005
32	397	COMM. EQUIP. RADIOS-PER PSC	0.00%	656	656	656	656	656	656	656	656	656	656	656	656	7,867
33	398	MISC. EQUIPMENT	7.40%	297	297	297	297	297	297	297	297	297	297	297	297	3,558
34	115	ACQUISITION ADJUSTMENT	6.67%	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	33,961
35	362	GAS HOLDERS	0.00%	5,926	5,926	5,926	5,926	5,926	5,926	5,926	5,926	5,926	5,926	5,926	5,926	71,114
36		TOTAL DEPRECIABLE PLANT		$ 92,327	$ 92,608	$ 93,033	$ 93,267	$ 93,443	$ 93,745	$ 94,551	$ 95,388	$ 95,842	$ 97,128	$ 98,205	$ 99,116	$ 1,138,652

NOTE: DEPRECIATION RATES APPROVED PER ORDER NO, PSC-98-0379-FOF-GU, DOCKET NO. 970428-GU

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-1, C-19

SCHEDULE C-18 AMORTIZATION/RECOVERY SCHEDULE FOR THE HISTORIC BASE YEAR - 12 MONTHS PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE FOR EACH AMORTIZATION/RECOVERY INCLUDED IN PLANT IN SERVICE BY ACCOUNT OR SUB-ACCOUNT FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	ACCT SUB-ACCT NO.	PLANT ACCOUNT TITLE	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	TOTAL AMORT/REC
1	111-301	ACCUMULATED AMORTIZATION ORGANIZATION COSTS	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$700
2	111-302	ACCUMULATED AMORTIZATION CFG	$35	$35	$35	$35	$35	$35	$35	$35	$35	$35	$35	$35	$424
3	108-303	MISC INTANG PLANT	$8,355	$8,355	$8,355	$8,355	$8,355	$8,355	$8,355	$8,355	$8,355	$8,355	$8,355	$8,355	$100,262
4	108-362	AMORTIZATION OF MANUFACTURED GAS SITE	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$71,114
5	115	AMORTIZATION OF ACQUISITION ADJUSTMENT	$2,830	$2,830	$2,830	$2,830	$2,830	$2,830	$2,830	$2,830	$2,830	$2,830	$2,830	$2,830	$33,961

TOTAL AMOUNT OF AMORTIZATION/RECOVERY: $206,460

EFFECTIVE DATE: VARIOUS

AMORTIZATION/RECOVERY PERIOD: VARIOUS

REASON:
1 ACCUMULATED AMORTIZATION ORGANIZATION COSTS
2 ACCUMULATED AMORTIZATION FRANCHISE AND CONSENT
3 AMORTIZATION OF CUSTOMER BILLING & INFORMATION SYSTEM SOFTWARE
4 AMORTIZATION OF MANUFACTURED GAS SITE
5 AMORTIZATION OF ACQUISITION ADJUSTMENT

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-1, C-19

SCHEDULE C-19 | ALLOCATION OF DEPRECIATION/AMORTIZATION EXPENSE - COMMON PLANT | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE ALLOCATION OF DEPRECIATION AND AMORTIZATION EXPENSE FOR THE HISTORIC BASE YEAR. THIS DATA SHOULD CORRESPOND TO THE DATA PRESENTED IN SCHEDULE B-11.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	12 MONTH TOTAL
1	301	ORGANIZATION	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$696
2	302	FRANCHISES & CONSENTS	35	35	35	35	35	35	35	35	35	35	35	35	420
3	303	MISC. INTANGIBLE PLANT	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	100,260
4	375	STRUCTURES & IMPROVEMENTS	575	578	578	578	578	581	583	583	583	583	583	583	6,965
5	387	OTHER EQUIPMENT	2,978	2,978	2,978	2,993	3,008	3,144	3,280	3,376	3,486	3,509	3,519	3,649	38,898
6	389	LAND	0	0	0	0	0	0	0	0	0	0	0	0	0
7	390	STRUCTURES & IMPROVEMENTS	639	638	638	638	639	641	641	641	641	641	641	641	7,679
8	391	OFFICE FURN & EQUIPMENT	3,017	3,062	3,153	3,199	3,487	3,199	3,199	3,199	3,226	3,254	3,254	3,263	38,509
9	392	AUTOS & TRUCKS	288	288	288	288	0	288	288	288	288	288	288	288	3,167
10	394	TOOL, SHOP, & GARAGE EQUIP	317	331	340	338	341	341	341	341	341	341	341	341	4,054
11	396	POWER OPERATED EQUIPMENT	1,746	1,746	1,746	1,746	1,784	1,822	1,822	1,860	1,898	1,898	1,898	1,898	21,863
12	397	COMMUNICATION EQUIPMENT	823	823	823	823	823	823	823	823	823	823	823	823	9,872
13	398	MISC EQUIP (SPECIFY)	297	297	297	297	297	297	297	297	297	297	297	297	3,558
14															
15		TOTAL	$19,129	$19,189	$19,288	$19,347	$19,405	$19,582	$19,721	$19,854	$20,029	$20,080	$20,089	$20,229	$235,942

			12 MONTH TOTAL	NONUTILITY %	12 MONTH NON-UTILITY	METHOD OF ALLOCATION
16	301	ORGANIZATION	$696	0.0%	$0	
17	302	FRANCHISES & CONSENTS	420	0.0%	0	
18	303	MISC. INTANGIBLE PLANT	100,260	0.0%	0	
19	375	STRUCTURES & IMPROVEMENTS	6,965	0.0%	0	
20	387	OTHER EQUIPMENT	38,898	0.0%	0	
21	389	LAND	0	0.0%	0	
22	390	STRUCTURES & IMPROVEMENTS	7,679	0.0%	0	
23	391	OFFICE FURN & EQUIPMENT	38,509	7.2%	2,791	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL.
24	392	AUTOS & TRUCKS	3,167	7.2%	230	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL.
25	394	TOOL, SHOP, & GARAGE EQUIP	4,054	0.0%	0	
26	396	POWER OPERATED EQUIPMENT	21,863	0.0%	0	
27	397	COMMUNICATION	9,872	7.2%	716	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL.
28	398	MISC EQUIP (SPECIFY)	3,558	0.0%	0	
29			0	0.0%	0	
30		TOTAL	$235,942		$3,737	

SUPPORTING SCHEDULES: C-17, C-18

RECAP SCHEDULES: C-2 p. 1

SCHEDULE C-20

RECONCILIATION OF TOTAL INCOME TAX PROVISION

PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A RECONCILIATION BETWEEN THE TOTAL OPERATING INCOME TAX PROVISION FOR THE HISTORIC BASE YEAR PERIOD AND THE CURRENTLY PAYABLE INCOME TAXES ON OPERATING INCOME FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NUMBER	DESCRIPTION	REFERENCE	TOTAL PER BOOKS	UTILITY ADJUSTMENTS	UTILITY ADJUSTED
1	CURRENT INCOME TAX EXPENSE	C-21	$ 382,887	$ (104,028)	$ 278,859
2	DEFERRED INCOME TAX EXPENSE	C-24	12,234	-	12,234
3	ITC REALIZED THIS YEAR	B-17	(19,523)	-	(19,523)
4					
5					
6	TOTAL INCOME TAX EXPENSE		$ 375,598	$ (104,028)	$ 271,570

SUPPORTING SCHEDULES: B-17, C-21, C-24, C-26

RECAP SCHEDULES: C-1

SCHEDULE C-21

STATE AND FEDERAL INCOME TAX CALCULATION - CURRENT

PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORIC BASE YEAR. PROVIDE DETAIL ON ADJUSTMENTS TO INCOME TAXES AND INVESTMENT TAX CREDITS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NUMBER	DESCRIPTION	AMOUNT	AMOUNT
1	NET UTILITY OPERATING INCOME		$ 1,041,661
2	ADD INCOME TAX ACCOUNTS		271,570
3	LESS INTEREST CHARGES (FROM C-22)		(559,027)
4	TAXABLE INCOME PER BOOKS		754,204
5	LESS: ITC AMORTIZATION		-
6	ADJUSTMENTS TO TAXABLE INCOME (PROVIDE DETAIL)*		(49,113)
7	TAXABLE INCOME		705,091
8	STATE TAXABLE INCOME		705,091
9	INCOME TAX (5.5% OR APPLICALBE RATE OF LINE 8)	38,780	
10	EMERGENCY EXCISE	0	
11	ADJUSTMENTS TO STATE TAXABLE INCOME (PROVIDE DETAIL)*	0	
12	STATE TAX - CURRENT	38,780	
13	FEDERAL TAXABLE INCOME (LINE 9 - LINE 13 +/- LINE 14)		666,311
14	FEDERAL INCOME TAX RATE (34% OR APPLICABLE RATE)		34%
15	FEDERAL INCOME TAX BEFORE CREDITS		226,546
16	ADJUSTMENTS TO FEDERAL TAXABLE INCOME (PROVIDE DETAIL)*		(5,990)
17	PLUS: ITC AMORTIZATION		19523
18	FEDERAL TAX - CURRENT		$ 240,079
19	SUMMARY:		
20			
21	FEDERAL TAX - CURRENT		240,079
22	STATE TAX - CURRENT		38,780
23	CURRENT YEAR DEFERRED TAX EXPENSE		12,234
24	LESS: ITC REALIZED		(19,523)
25			
26	TOTAL CURRENT INCOME TAX EXPENSE		$ 271,570

*DETAIL OF ADJUSTMENTS TO TAXABLE INCOME
LINE 5

		AMOUNT
1	MARK TO MARKET	27,237
2	BAD DEBT ALLOWANCE	13,184
3	BAD DEBTS	659
4	AMORTIZATION OF O/H AND INT	(23,757)
5	CAPITALIZATION OF O/H AND INT	40,317
6	ASSET GAIN/LOSS	5,466
7	CONTRIBUTIONS IN AID OF CONSTRUCTION	43,306
8	COST OF REMOVAL	(25,777)
9	CONSERVATION	373
10	DEFERRED RATE CASE	13,026
11	DEPRECIATION AND AMORTIZATION	(298,496)
12	ENVIRONMENTAL COSTS	(63,816)
13	PENSION COSTS	82,710
14	POST RETIREMENT BENEFITS	1,928
15	DEFERRED FLEX REVENUE	12,676
16	LONG TERM BONUS ACCRUAL	(5,329)
17	UNBILLED REVENUE	(13,871)
18	UNRECOVERED PURCH GAS COST	144,886
19	263A COST IRS SETTLEMENT	(4,835)
20		
21		
	TOTAL ADJUSTMENT: $	(49,113)

*DETAIL OF ADJUSTMENTS TO STATE TAXABLE INCOME
LINE 7

1		0
2		0
3		0
	TOTAL ADJUSTMENT: $	0

*DETAIL OF ADJUSTMENTS TO FEDERAL TAXABLE INCOME
LINE 15

1	PRIOR YEAR INCOME TAX TRUE UP/MISC. ADJUSTMENTS	(5,990)
2		0
3		0
	TOTAL ADJUSTMENT: $	(5,990)

SUPPORTING SCHEDULES: B-17,C-22,C-23.

SCHEDULE C-22 | INTEREST IN TAX EXPENSE CALCULATION | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE AMOUNT OF INTEREST EXPENSE USED TO CALCULATE NET OPERATING INCOME TAXES ON SCHEDULE NO. C-21. EXPLAIN ANY ADJUSTMENTS TO INTEREST EXPENSE IN DETAIL GIVING AMOUNT OF CHANGE AND REASON FOR CHANGE. IF THE BASIS FOR ALLOCATING INTEREST USED IN TAX CALCULATION DIFFERS FROM THE BASIS USED IN ALLOCATING CURRENT INCOME TAXES PAYABLE, THE DIFFERING BASIS SHOULD BE CLEARLY IDENTIFIED.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

INTEREST IN TAX EXPENSE CALCULATION

LINE NUMBER	DESCRIPTION	TOTAL PER BOOKS	UTILITY ADJUSTMENTS	UTILITY ADJUSTED
1	INTEREST ON LONG-TERM DEBT	$408,381	$0	$408,381
2	INTEREST ON CUSTOMER DEPOSITS	$40,428	$0	$40,428
3	INTEREST ON SHORT-TERM DEBT	$107,264	$0	$107,264
4	INTEREST ON FLEX RATE LIABILITY	$2,953	$0	$2,953
5	ITC INTEREST SYNCHRONIZATION (IRC 46 (f)(2) only See* below	$0	$0	$0
6	TOTAL USED FOR TAX CALCULATION (TO C-21)	$559,027	$0	$559,027

	BALANCES FROM SHEDULE D-1	AMOUNT	RATIO	COST	TOTAL WEIGHTED COST	DEBT ONLY WEIGHTED COST
7	COMMON EQUITY	$8,638,753	47.26%	11.00%	5.20%	
8	LONG TERM DEBT	$5,352,305	29.28%	7.63%	2.23%	2.23%
9	SHORT TERM DEBT	$1,778,845	9.73%	6.03%	0.59%	0.59%
10	FLEX RATE LIABLILITY	$46,880	0.26%	6.30%	0.02%	0.02%
11	CUSTOMER DEPOSITS	$627,767	3.43%	6.44%	0.22%	0.22%
12	TAX CRDTS - 0 COST	$346,024	1.89%	0.00%	0.00%	
13	DEFERRED INCOME TAXES	$1,490,000	8.15%	0.00%	0.00%	
14	DEFERRED INC. TAXES-109	($119,250)	-0.65%	0.00%	0.00%	
15	REG ASSET\LIAB. 109	$119,250	0.65%	0.00%	0.00%	
16	TOTAL	$18,280,574	100.00%		8.26%	
17	ITC'S	0				
18	WEIGHTED COST FROM LINE 16	8.26%				
19	INTEREST ADJUSTMENT (TO LINE 6)	0				

SUPPORTING SCHEDULES: B-17, D-1

RECAP SCHEDULES: C-21

SCHEDULE C-23 | BOOK/TAX DIFFERENCES - PERMANENT | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE DESCRIPTION AND AMOUNT OF ALL BOOK/TAX DIFFERENCES ACCOUNTED FOR AS PERMANENT DIFFERENCES. THIS WOULD INCLUDE ANY ITEMS ACCOUNTED FOR ON A FLOW THROUGH BASIS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.		
	BOOK vs TAX	
	PERMANENT DIFFERENCES	
1	50% Meal Deduction	15,879
2	Goodwill and Amortization	33,961

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-21

SCHEDULE C-24 | DEFERRED INCOME TAX EXPENSE | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF TOTAL DEFERRED INCOME TAXES FOR THE HISTORIC BASE YEAR. PROVIDE DETAIL ON ITEMS RESULTING IN TAX DEFERRALS OTHER THAN ACCELERATED DEPRECIATION.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

WITNESS: WILLIAMS

DOCKET NO 000108-GU

DEFERRED INCOME TAXES - YEAR ENDED 12/31/99

LINE NUMBER	DESCRIPTION	TOTAL PER BOOKS	UTILITY ADJUSTMENTS	UTILITY ADJUSTMENTS	UTILITY ADJUSTED
	TIMING DIFFERENCES:				
1	TAX DEPRECIATION AND AMORTIZATION	($1,503,699)	$0		($1,503,699)
2	BOOK DEPRECIATION AND AMORTIZATION	1,205,203	0		1,205,203
3	DIFFERENCE	(298,496)	0	0	(298,496)
4	OTHER TIMING DIFFERENCES (ITEMIZE):				
5	ORIGINATING:				
6	MARK TO MARKET	27,237	0	0	27,237
7	BAD DEBT ALLOWANCE	0	0	0	0
8	BAD DEBTS	33,950	0	0	33,950
9	AMORTIZATION OF O/H AND INT	0	0	0	0
10	CAPITALIZATION OF O/H AND INT	40,317	0	0	40,317
11	ASSET GAIN/LOSS	6,466	0	0	6,466
12	CONTRIBUTIONS IN AID OF CONSTRUCTION	43,306	0	0	43,306
13	COST OF REMOVAL	(25,777)	0	0	(25,777)
14	CONSERVATION	(106,181)	0	0	(106,181)
15	DEFERRED RATE CASE	13,026	0	0	13,026
16	ENVIRONMENTAL COSTS	(68,271)	0	0	(68,271)
17	PENSION COSTS	173,245	0	0	173,245
18	POST RETIREMENT BENEFITS	69,765	0	0	69,765
19	DEFERRED FLEX REVENUE	74,801	0	0	74,801
20	LONG TERM BONUS ACCRUAL	0	0	0	0
21	UNBILLED REVENUE	153,312	0	0	153,312
22	UNRECOVERED PURCH GAS COST	51,145	0	0	51,145
23	263A COST IRS SETTLEMENT	(4,835)	0	0	(4,835)
24		481,506	0	0	481,506
25	REVERSING:				
26	MARK TO MARKET	0	0	0	0
27	BAD DEBT ALLOWANCE	13,184	0	0	13,184
28	BAD DEBTS	(33,291)	0	0	(33,291)
29	AMORTIZATION OF O/H AND INT	(23,757)	0	0	(23,757)
30	CAPITALIZATION OF O/H AND INT	0	0	0	0
31	ASSET GAIN/LOSS	0	0	0	0
32	CONTRIBUTIONS IN AID OF CONSTRUCTION	0	0	0	0
33	COST OF REMOVAL	0	0	0	0
34	CONSERVATION	106,554	0	0	106,554
35	DEFERRED RATE CASE	0	0	0	0
36	ENVIRONMENTAL COSTS	4,455	0	0	4,455
37	PENSION COSTS	(90,535)	0	0	(90,535)
38	POST RETIREMENT BENEFITS	(67,837)	0	0	(67,837)
39	DEFERRED FLEX REVENUE	(62,125)	0	0	(62,125)
40	LONG TERM BONUS ACCRUAL	(5,329)	0	0	(5,329)
41	UNBILLED REVENUE	(167,183)	0	0	(167,183)
42	UNRECOVERED PURCH GAS COST	93,741	0	0	93,741
43	263A COST IRS SETTLEMENT	0	0	0	0
44		(232,123)	0	0	(232,123)
45	TOTAL TIMING DIFFERENCES	(49,113)	0	0	(49,113)
46	STATE TAX RATE	5.50%	5.50%	5.50%	5.50%
47	STATE DEFERRED TAXES (LINE 6 x LINE 7)	2,701	0	0	2,701
48	ORIGINATING TIMING DIFFERENCES FOR FEDERAL TAX	172,944	0	0	172,944
49	FEDERAL TAX RATE	34.00%	34.00%	34.00%	34.00%
50	ORIGINATING FEDERAL DEFERRED INCOME TAXES	(58,801)	0	0	(58,801)
51	REVERSING TIMING DIFFERENCES FOR FED. TAXES	(219,356)	0	0	(219,356)
52	FEDERAL TAX RATE	34.00%	34.00%	34.00%	34.00%
53	REVERSING FEDERAL DEFERRED INCOME TAXES	74,581	0	0	74,581
54	FEDERAL DEFERRED TAXES (LINE 11 + LINE 14)	15,780	0	0	15,780
55	ADD STATE DEFERRED TAXES (LINE 8)	2,701	0	0	2,701
56	ADJUSTMENT	(1,944)			(1,944)
57	TOTAL DEFERRED TAX EXPENSE	$16,537	$0	$0	$16,537

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-20

SCHEDULE C-25 | DEFERRED TAX ADJUSTMENT | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORI

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE INFORMATION REQUIRED TO ADJUST THE DEFERRED TAX BALANCES FOR CHANGES IN THE STATE AND FEDERAL STATUTORY INCOME TAX RATES. SHOW SUPPORTING CALCULATIONS IN DETAIL BY VINTAGE YEARS. PROTECTED FEDERAL DEFERRED TAX BALANCES ARE NOT SUBJECT TO THIS ADJUSTMENT.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NUMBER	DESCRIPTION	TOTAL AMOUNT
	STATE TAX ADJUSTMENT	
1	ADJUSTMENT AS FILED IN ORDER NO. _____, DOCKET NO. _____ (IF APPLICABLE)	N/A
2	DEFERRED TAX BALANCES AS FOR THE 1999 TEST YEAR PER BOOKS	53,285
3	DEFERRED TAX BALANCES RESTATED AS THOUGH THE PRESENT STATUTORY RATE HAD ALWAYS BEEN IN EFFECT	53,285
4	EXCESS (DEFICIENCY) IN DEFERRED TAX BALANCE	-
5	EFFECT OF NORMAL REVERSAL OF DEFERRED INCOME TAXES AT RATES DIFFERENT THAN 5.5% AS REFLECTED ON THE COMPANY'S BOOKS. (THIS REPRESENTS THE AMOUNT THAT WILL REVERSE NORMALLY WITHOUT ANY FURTHER ADJUSTMENT. THE ADJUSTMENT HERE IS AN ADDITIONAL ADJUSTMENT. THE TAX RATE IS THE CURRENT EFFECTIVE RATE.)	
6	NET EFFECT ON STATE DEFERRED TAX BALANCES	0
	FEDERAL TAX ADJUSTMENT (UNPROTECTED)	
7	ADJUSTMENT AS FILED IN ORDER NO. _____, DOCKET NO. _____ (IF APPLICABLE)	
8	DEFERRED TAX BALANCES FOR THE 1999 TEST YEAR PER BOOKS	311,283
9	DEFERRED TAX BALANCES RESTATED AS THOUGH THE PRESENT STATUTORY RATE HAD ALWAYS BEEN IN EFFECT	315,585
10	EXCESS (DEFICIENCY) IN DEFERRED TAX BALANCE	(4,302)
11	EFFECT OF NORMAL REVERSAL OF DEFERRED INCOME TAXES AT RATES DIFFERENT THAN 34% AS REFLECTED ON THE COMPANY'S BOOKS.	16,536
12	NET EFFECT ON FEDERAL DEFERRED TAX BALANCES	12,234

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE C-25 | DEFERRED TAX ADJUSTMENT | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE INFORMATION REQUIRED TO ADJUST THE DEFERRED TAX BALANCES FOR CHANGES IN THE STATE AND FEDERAL STATUTORY INCOME TAX RATES. SHOW SUPPORTING CALCULATIONS IN DETAIL BY VINTAGE YEAR. PROTECTED FEDERAL DEFERRED TAX BALANCES ARE NOT SUBJECT TO THIS ADJUSTMENT.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

DEFERRED TAX ADJUSTMENT DETAIL BY VINTAGE YEAR

LINE NO.	VINTAGE YEAR ENDED	DEFERRED TAXES AS BOOKED	DEFERRED TAXES RECALCULATED	DIFFERENCE	
1	12/31/99	$311,283	$315,585	($4,302)	Reference Sch C-25 Line 10.
2		0	0	0	
3		0	0	0	
4		0	0	0	
5		0	0	0	
6		0	0	0	
7		0	0	0	
8		0	0	0	
9		0	0	0	
10		0	0	0	
11		0	0	0	
12		0	0	0	
13		0	0	0	
14		0	0	0	
15		0	0	0	
16		0	0	0	
17		0	0	0	
18		$311,283	$315,585	($4,302)	

SUPPORTING SCHEDULES: B-18

RECAP SCHEDULES:

SCHEDULE C-26	PARENT(S) DEBT INFORMATION	PAGE 1 OF 1
FLORIDA PUBLIC SERVICE COMMISSION COMPANY FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP. DOCKET NO.: 000108-GU	EXPLANATION: PROVIDE INFORMATION REQUIRED IN ORDER TO ADJUST INCOME TAX EXPENSE BY REASON OF INTEREST EXPENSE OF PARENT(S) THAT MAY BE INVESTED IN THE EQUITY OF THE APPLICANT. IF YEAR-END RATE BASE IS USED, PROVIDE ON BOTH A YEAR-END AND 13-MONTH AVERAGE BASIS. AMOUNTS SHOULD BE PARENT ONLY.	TYPE OF DATA SHOWN: HISTORIC BASE YEAR DATA: 12/31/99 WITNESS: WILLIAMS

NOT APPLICABLE

SUPPORTING SCHEDULES:	RECAP SCHEDULES: C-20

SCHEDULE C-27 | INCOME TAX RETURNS | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A COPY OF THE MOST RECENTLY FILED FEDERAL INCOME TAX RETURN, STATE INCOME TAX RETURN, AND MOST RECENT FINAL IRS REVENUE AGENT'S REPORT FOR THE APPLICANT OR CONSOLIDATED ENTITY (WHICHEVER TYPE IS FILED). A STATEMENT OF WHEN AND WHERE THE RETURNS AND REPORTS ARE AVAILABLE FOR REVIEW MAY BE PROVIDED IN LIEU OF PROVIDING THE RETURNS AND REPORTS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

THE CONSOLIDATED INCOME TAX RETURNS REQUESTED WILL BE AVAILABLE FOR INSPECTION AT THE COMPANY'S OFFICE IN WINTER HAVEN, FLORIDA OR THE ATTORNEY'S OFFICE IN TALLAHASSEE DURING NORMAL BUSINESS HOURS. NO PART OF THESE TAX FILINGS ARE TO BE DUPLICATED OR PHOTOCOPIED AS THEY CONTAIN CONFIDENTIAL INFORMATION. UPON COMPLETION OF THE INSPECTION, THE DOCUMENTS ARE TO BE RETURNED. THE INFORMATION INCLUDED IN THE RETURNS SHALL BE CONSIDERED CONFIDENTIAL.

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE C-28 | MISCELLANEOUS TAX INFORMATION | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE ANSWERS TO THE FOLLOWING QUESTIONS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000106-GU

LINE NO.

1 FOR PROFIT AND LOSS PURPOSES, WHICH IRC SECTION 1552 METHOD IS USED FOR TAX ALLOCATION?
A: THE TAX LIABILITY OF THE GROUP IS ALLOCATED TO THE MEMBERS OF THE GROUP ON THE BASIS OF THE PERCENTAGE OF THE TOTAL TAX WHICH THE TAX OF SUCH MEMBER IF COMPUTED ON A SEPARATE RETURN WOULD BEAR TO THE TOTAL AMOUNT OF THE TAXES FOR ALL MEMBERS OF THE GROUP SO COMPUTED.

2 WHAT TAX YEARS ARE OPEN WITH THE IRS?
A: 1998
1997
1996

3 IS THE TREATMENT OF CUSTOMER DEPOSITS AT ISSUE WITH THE IRS?
A: NO

4 IS THE TREATMENT OF CIAC AT ISSUE WITH THE IRS?
A: NO

5 IS THE TREATMENT OF UNBILLED REVENUE AT ISSUE WITH THE IRS?
A: NO

6 FOR THE LAST 5 TAX YEARS, WHAT DOLLARS WERE PAID TO OR RECEIVED FROM THE PARENT FOR FEDERAL INCOME TAXES?
A: SEE NO. 7

7 HOW WERE THE AMOUNTS IN (6) TREATED?
A: NO MONEY WAS EXCHANGED FOR FEDERAL OR STATE INCOME TAXES. THE TRANSACTION WAS RECORDED THROUGH AN INTERCOMPANY ACCOUNTS RECEIVABLE. THE AMOUNT OF THE TRANSACTION FOR THE YEARS 1995 THROUGH 1999 WERE AS FOLLOWS:

1999 $	154,769
1998 $	134,977
1997 $	291,454
1996 $	63,885
1995 $	0

8 FOR EACH OF THE LAST 5 TAX YEARS, WHAT WAS THE DOLLAR AMOUNT OF INTEREST DEDUCTED ON THE PARENT-ONLY TAX RETURN?
A:

1999 $	2,130,977
1998 $	1,920,322
1997 $	1,932,102
1996 $	1,799,801
1995 $	1,983,898

9 COMPLETE THE FOLLOWING CHART FOR THE LAST 5 YEARS WITH RESPECT TO TAXABLE INCOME:

		INCOME (LOSS)									
		BOOK BASIS YEAR					TAX BASIS YEAR				
		1995	1996	1997	1998	1999	1995	1996	1997	1998	1999
10	PARENT ONLY	$1,361,871	$5,628,858	$3,788,752	$2,824,484	$4,364,010	$1,161,896	$1,180,678	$2,078,088	$509,448	$4,109,940
11	APPLICANT ONLY	$1,295,189	$1,416,273	$1,040,092	$1,190,572	$957,206	$2,462,052	($178,709)	$755,828	$372,773	$917,133
12	TOTAL GROUP	$11,873,463	$10,941,153	$9,227,562	$8,529,859	$12,953,975	$9,723,199	$8,027,083	$6,024,957	$4,793,188	$12,479,458
13	TOTAL GROUP EXCLUDING PARENT AND APPLICANT	$9,196,423	$3,896,022	$4,398,718	$4,514,803	$7,612,759	$6,099,249	$5,025,114	$3,191,041	$3,910,969	$7,452,385

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE C-29

CONSOLIDATED RETURN

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SUMMARY OF THE SPECIFIC TAX EFFECT (IN DOLLARS) OF FILING A CONSOLIDATED RETURN FOR THE HISTORIC BASE YEAR. IDENTIFY THE NATURE AND AMOUNTS OF BENEFITS TO THE COMPANY AND THE RATEPAYERS. PROVIDE A COPY OF ANY EXISTING TAX-SHARING AGREEMENTS WITH AFFILIATED COMPANY.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

THE COMPANY FILES A CONSOLIDATED INCOME TAX RETURN WITH ITS AFFILIATES. TAX IS ALLOCATED BASED ON A COMPUTATION AS IF SEPARATE RETURNS WERE FILED. THERE IS NO INTERCOMPANY ELIMINATION OR OTHER ITEM WHICH AFFECTS TAXABLE INCOME OR THE ALLOCATIONS BETWEEN COMPANIES.

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE C-30 | OTHER TAXES | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILTIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: PROVIDE A SCHEDULE OF TAXES OTHER THAN INCOME TAXES FOR THE HISTORIC BASE YEAR AND THE PRIOR YEAR. FOR EACH TAX, INDICATE THE AMOUNT CHARGED TO OPERATING EXPENSES.

TYPE OF DATA SHOWN:
HISTORIC BASE YR - 1: 12/31/98
WITNESS: WILLIAMS

OTHER TAXES FOR THE PRIOR YEAR ENDED 12/31/98

LINE NO.	TYPE OF TAX		(1) RATE	(2) TAX BASIS ($)	(3) TOTAL AMOUNT (1 X 2)	(4) JURISDICTIONAL FACTOR	(5) JURISDICTIONAL AMOUNT	(6) AMOUNT CHARGED TO OPERATING EXPENSES
1	FEDERAL UNEMPLOYMENT		0.008		-		-	-
2	STATE UNEMPLOYMENT		VARIOUS		-		-	-
3	FICA		0.0765		154,532		154,532	154,532
4	FEDERAL VEHICLE							
5	STATE INTANGIBLE							
6	UTILITY ASSESSMENT FEE		0.00375		58,365		58,365	58,365
7	PROPERTY		VARIOUS		351,538		351,538	351,538
8	GROSS RECEIPTS	JAN-APR 98 MAY-DEC 98	0.01026 0.02564		375,400		375,400	375,400
9	FRANCHISE FEE				234,443		234,443	234,443
10	OCCUPATIONAL LICENSE		VARIOUS		2,100		2,100	2,100
11	OTHER (PLEASE LIST)		VARIOUS					
12	CORPORATE OVERHEAD ALLOCATION (FRANCHISE)							
13	MISCELLANEOUS				18,055		18,055	18,055
14			TOTAL		1,194,433		1,194,433	1,194,433

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

5/10/00
10:41 AM

SCHEDULE C-30 | OTHER TAXES | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILTIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: PROVIDE A SCHEDULE OF TAXES OTHER THAN INCOME TAXES FOR THE HISTORIC BASE YEAR AND THE PRIOR YEAR. FOR EACH TAX, INDICATE THE AMOUNT CHARGED TO OPERATING EXPENSES.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

OTHER TAXES FOR THE HISTORICAL BASE YEAR ENDED 12/31/99

LINE NO.	TYPE OF TAX	(1) RATE	(2) TAX BASIS ($)	(3) TOTAL AMOUNT (1 X 2)	(4) JURISDICTIONAL FACTOR	(5) JURISDICTIONAL AMOUNT	(6) AMOUNT CHARGED TO OPERATING EXPENSES
1	FEDERAL UNEMPLOYMENT	0.008					
2	STATE UNEMPLOYMENT	VARIOUS					
3	FICA	0.0765		167,698		167,698	167,698
4	FEDERAL VEHICLE						
5	STATE INTANGIBLE						
6	UTILITY ASSESSMENT FEE	0.00500		80,412		80,412	80,412
7	PROPERTY	VARIOUS		306,338		306,338	306,338
8	GROSS RECEIPTS	0.02564		335,168		335,168	335,168
9	FRANCHISE FEE	VARIOUS		246,733		246,733	246,733
10	OCCUPATIONAL LICENSE	VARIOUS		1,956		1,956	1,956
11	OTHER (PLEASE LIST)						
12	CORPORATE OVERHEAD ALLOCATION (FRANCHISE)						
13	MISCELLANEOUS	VARIOUS		19,311		19,311	19,311
14		TOTALS		1,157,616		1,157,616	1,157,616

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-1, C-2 p.2

SCHEDULE C-31 | OUTSIDE PROFESSIONAL SERVICES | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: COMPLETE THE FOLLOWING INFORMATION REGARDING THE USE OF OUTSIDE PROFESSIONAL SERVICES DURING THE HISTORIC BASE YEAR PERIOD. SPECIFY BY CONTRACT AREAS SUCH AS ACCOUNTING, LEGAL, FINANCIAL OR ENGINEERING.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.		TYPE OF SERVICE PERFORMED	NAME OF CONTRACTOR	PROJECT	CONTRACT TYPE (CHECK ONE) ONE-TIME	CONTINUING	PERIOD OF CONTRACT BEGIN	END	ACCOUNT CHARGED (#)	CONTRACT COST
1	1)	ACCOUNTING	Pricewaterhousecoopers	Auditing fees-Accrued		X	1/1/99	On-going	92320	$36,470
2	2)	LEGAL	Ruden McClosky Smith	Florida Public Service Commission		X	1/1/99	4/30/99	92310	$6,450
3			Baker and Hostetler	Local Issues-employment, etc.		X	1/1/99	On-going	92310	$1,112
4			Crowell & Moring LLP	FERC Matters		X	1/1/99	On-going	92310	$19,466
5			Wayne L. Schiefelbein	Florida Public Service Commission		X	5/1/99	On-going	92310	$26,115
6			Corp Allocations	Various fees		X	1/1/99	On-going	92310	$37,422
7	3)	FINANCIAL	Dunn and Bradstreet	Credit		X	10/1/99	10/31/99	92340	$92
8	4)	ENGINEERING	N/A							
9	5)	OTHER (SPECIFY)	David Langer	Citrus County		X	1/1/99	On-going	92340	$26,165
10		CONSULTING	Headley's Natural Gas	Industrial Customer Relations		X	4/1/99	On-going	92340	$20,930
11			Associated Gas Dist.	FERC Assessment Fees		X	1/1/99	On-going	92340	$6,000
12			Corp Allocations	Various fees		X	1/1/99	On-going	92340	$30,164
13									TOTAL CONTRACTUAL EXPENSES	$210,385

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-2

SCHEDULE C-32 | TRANSACTIONS WITH AFFILIATED COMPANIES | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE DETAILING TRANSACTIONS WITH AFFILIATED COMPANIES AND RELATED PARTIES FOR THE HISTORIC BASE YEAR INCLUDING INTERCOMPANY CHARGES, LICENSES, CONTRACTS, AND FEES. IF THE DATA REQUESTED IS ALREADY ON FILE WITH THE COMMISSION, (AS REQUIRED BY RULE 25-7.014) AND IS BASED ON THE SAME PERIOD AS THE HISTORIC BASE YEAR, A STATEMENT TO THAT AFFECT WILL BE SUFFICIENT.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

TRANSACTIONS WITH AFFILIATED COMPANIES 12\31\99

NAME OF COMPANY OR RELATED PARTY	RELATION TO UTILITY	TYPE OF SERVICE PROVIDED OR RECEIVED	EFFECTIVE CONTRACT DATE	CHARGE OR (CREDIT) DURING YEAR AMOUNT	ACCOUNT NO.	ALLOCATION METHOD USED TO ALLOCATE CHARGES BETWEEN COMPANIES

ALL TRANSACTIONS BETWEEN CENTRAL FLORIDA GAS AND ITS AFFILIATES ARE PROCESSED THROUGH INTERCOMPANY ACCOUNTS RECEIVABLE\PAYABLE, WITH THE EXCEPTION OF USI: A UTILITY CONSULTING AND TECHNOLOGY FIRM. ALL TRANSACTIONS ARE DIRECTLY ALLOCATED, AT COST, TO THE APPROPRIATE AFFILIATE. TRANSACTIONS WITH USI ARE BILLED AT COMPETITIVE MARKET RATES.

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-2

SCHEDULE C-33

WAGE AND SALARY INCREASES COMPARED TO CPI

PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A COMPARISON OF WAGE AND SALARY INCREASES FOR THE LAST THREE YEARS AND HISTORIC BASE YEAR TO THE CPI.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR - 1: 12/31/00
HISTORIC BASE YR - 2: 12/31/01
HISTORIC BASE YR - 3: 12/31/02
WITNESS: WILLIAMS

LINE NO.	INCREASE IN WAGES AND SALARY BY GROUP	(1996) PRIOR YEAR	(1997) PRIOR YEAR	(1998) PRIOR YEAR	HISTORIC BASE YEAR
1	SUPERVISORY	3.70%	3.47%	3.33%	2.88%
2	UNION N/A	0.00%	0.00%	0.00%	0.00%
3	OPERATIONS	3.70%	3.47%	3.33%	2.88%
4	TOTAL INCREASE	3.70%	3.47%	3.33%	2.88%
5	CHANGE IN CPI FROM PREVIOUS YEAR	3.30%	1.70%	1.60%	2.70%
6	DIFFERENCE BETWEEN INCREASE IN WAGES AND SALARIES AND CPI	0.40%	1.77%	1.73%	0.18%

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE C-34 | O & M BENCHMARK COMPARISON BY FUNCTION | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: FOR THE HISTORIC BASE YEAR FUNCTIONALIZED O & M EXPENSE PLEASE PROVIDE THE BENCHMARK VARIANCES.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PRIOR RATE CASE BASE YR: 06/30/89
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	FUNCTION	COL 1 HISTORIC BASE YEAR TOTAL COMPANY PER BOOKS (MFR C-1) (CURRENT CASE)	COL 2 O & M ADJUSTMENTS (MFR C-2) (CURRENT CASE)	COL 3 ADJUSTED HISTORIC BASE YEAR O & M (MFR C-1) (CURRENT CASE)	COL 4 06\30\89 BASE YEAR ADJUSTED O & M (MFR C-36) (PRIOR CASE)	COL 5 COMPOUND MULTIPLIER (MFR C-36)	COL 6 HISTORIC BASE YEAR BENCHMARK (COL 4 X 5)	COL 7 BENCHMARK VARIANCE (MFR C-37) (COL 6 - 3)
1	DISTRIBUTION OPERATIONS	$1,232,577	($361,134)	$871,443	$336,898	1.8390	$619,555	$251,888
2	DISTRIBUTION MAINTENANCE	$307,191	($474)	$306,717	$171,071	1.8390	$314,600	($7,883)
3	CUSTOMER ACCOUNTS	$545,281	$0	$545,281	$341,090	1.8390	$627,265	($81,984)
4	CUSTOMER SVCE & INFORMATIOI	$27,876	($27,877)	($1)	$6,333	1.8390	$11,646	($11,647)
5	SALES EXPENSE	$358,488	($9,941)	$348,547	$99,316	1.8390	$182,642	$165,905
6	ADMINISTRATIVE & GENERAL	$1,842,601	($79,162)	$1,763,439	$1,728,274	1.8390	$3,178,296	($1,414,857)
7	PROD. & LOCAL STORAGE	$0	$0	$0	$0	1.8390	$0	$0
8	TOTAL	$4,314,014	($478,588)	$3,835,426	$2,682,982		$4,934,004	($1,098,578)

SUPPORTING SCHEDULES: C-5, C-36

RECAP SCHEDULES:

SCHEDULE C-35 | O & M ADJUSTMENTS BY FUNCTION | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE DETAIL OF ADJUSTMENTS MADE TO THE HISTORIC BASE YEAR PER BOOKS O & M EXPENSES BY FUNCTION.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	FUNCTION	ADJUSTMENT	EXPLANATION
1	DISTRIBUTION OPERATIONS	($361,134)	To remove unregulated expenses
2	DISTRIBUTION MAINTENANCE	($474)	To remove out of period expense
3	CUSTOMER ACCOUNTS	$0	
4	CUSTOMER SVCE. & INFORMATION	($27,877)	To remove expenses disallowed in last rate case
5	SALES EXPENSE	($9,941)	To remove expenses disallowed in last rate case
6	ADMINISTRATIVE & GENERAL	($79,162)	To remove expenses disallowed in last rate case
7	)D. & LOCAL STORAGE	$0	
8	TOTAL	($478,588)	

SUPPORTING SCHEDULES: C-2

RECAP SCHEDULES:

SCHEDULE C-36 | BASE YEAR RECOVERABLE O & M EXPENSES BY FUNCTION | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE ADJUSTMENTS TO BASE YEAR (PRIOR CASE) O & M EXPENSES RELATED TO EXPENSES RECOVERABLE THROUGH MECHANISMS OTHER THAN BASE RATES. EXPLAIN ANY ADJUSTMENTS.

TYPE OF DATA SHOWN:
PRIOR RATE CASE BASE YR: 06/30/89
WITNESS: WILLIAMS

LINE NO.	FUNCTION	BASE YEAR ACTUAL O&M	ADJUSTMENTS FOR NON-BASE RATE EXPENSE RECOVERIES	BASE YEAR ADJUSTED O&M	EXPLANATION
1	DISTRIBUTION OPERATIONS	$340,354	($3,456)	$336,898	Reclass of expenses
2	DISTRIBUTION MAINTENANCE	$171,071	$0	$171,071	
3	CUSTOMER ACCOUNTS	$340,839	$251	$341,090	Reclasses & out of period expenses
4	CUSTOMER SVCE & INFORMATN	$6,630	($297)	$6,333	Elimination of conservation expense not cleared at 6/30/89
5	SALES EXPENSE	$99,316	$0	$99,316	
6	ADMINISTRATIVE & GENERAL	$1,798,880	($70,606)	$1,728,274	Elimination of payroll and out of period expenses, various reclasses, adjust health insurancereserve and corporate overhead allocation.
7	PROD. & LOCAL STORAGE	$0	$0	$0	
8	TOTAL	$2,757,090	($74,108)	$2,682,982	

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE C-37 | O & M COMPOUND MULTIPLIER CALCULATION | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: FOR EACH YEAR SINCE THE BASE YEAR OF THE COMPANY'S LAST RATE CASE, PROVIDE THE AMOUNTS AND PERCENT INCREASES ASSOCIATED WITH CUSTOMERS AND AVERAGE CPI. SHOW THE CALCULATION FOR EACH COMPOUND MULTIPLIER.

TYPE OF DATA SHOWN:
HIS. BASE YR LAST CASE: 06/30/89
HIS. BASE YR CURRENT CASE: 12/31/99
WITNESS: WILLIAMS

LINE NO.		TOTAL CUSTOMERS			AVERAGE CPI a\			INFLATION & GROWTH COMPOUND MULTIPLIER
	YEAR	AMOUNT	% INCREASE	A COMPOUND MULTIPLIER	AMOUNT	% INCREASE	B COMPOUND MULTIPLIER	(A X B)
1	06\30\1989	7,103		1.0000	124.1		1.0000	
2	1989 b\	7,255	2.14%	1.0214	126.1	1.60%	1.0160	1.0377
3	1990	7,481	3.12%	1.0532	133.8	6.11%	1.0780	1.1354
4	1991	7,674	2.58%	1.0804	137.9	3.06%	1.1111	1.2004
5	1992	7,763	1.16%	1.0929	141.9	2.90%	1.1433	1.2495
6	1993	7,873	1.42%	1.1084	145.8	2.75%	1.1747	1.3021
7	1994	8,043	2.16%	1.1323	149.7	2.67%	1.2061	1.3658
8	1995	8,206	2.03%	1.1553	153.5	2.54%	1.2368	1.4288
9	1996	8,538	4.05%	1.2020	158.6	3.32%	1.2779	1.5360
10	1997	8,837	3.50%	1.2441	161.3	1.70%	1.2996	1.6169
11	1998	9,176	3.84%	1.2918	163.9	1.61%	1.3206	1.7060
12	1999	9,633	4.98%	1.3562	168.3	2.68%	1.3560	1.8390

a\ Source: US Bureau of Labor Statistics

b\ For 6 Months July '89 through December '89

SUPPORTING SCHEDULES:

RECAP SCHEDULES: C-33

SCHEDULE C-38 | O & M BENCHMARK VARIANCE BY FUNCTION | PAGE 1 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE OF OPERATION AND MAINTENANCE EXPENSE BY FUNCTION FOR THE HISTORIC BASE YEAR, THE BENCHMARK YEAR AND THE VARIANCE. FOR EACH FUNCTIONAL VARIANCE, JUSTIFY THE DIFFERENCE.

TYPE OF DATA SHOWN:
HIS. BASE YR LAST CASE: 06/30/89
HIS. BASE YR CURRENT CASE: 12/31/99
WITNESS: WILLIAMS

FERC ACCOUNTS: 870 - 881 FERC FUNCTIONAL GROUP: DISTRIBUTION OPERATIONS

	AMOUNT
TEST YEAR ADJUSTED REQUEST	$871,443
BENCHMARK	619,555
VARIANCE TO JUSTIFY	$251,888

LINE NO.	JUSTIFICATION NO.	DESCRIPTION	BASE YEAR (PRIOR CASE) ACTUAL O&M	BENCHMARK	HISTORIC BASE YEAR O&M REQUESTED	BENCHMARK VARIANCE	JUSTIFICATION * ON PAGE #
1	1	871 DISTRIBUTION LOAD DISPATCH	$1,355	$2,492	$85,899	$83,407	Justification is on Schedule C-38, page 3 of 3.
2	2	874 MAINS & SERVICES	$76,001	$143,444	$198,105	$54,661	
3	3	877 MEAS. & REGULATORS CITY GA	$371	$682	$22,364	$21,682	
4	4	878 METER & HOUSE REG. EXP	$88,279	$162,345	$294,718	$132,373	
5	5	880 OTHER EXPENSE	$21,679	$39,868	$78,262	$38,394	
6	6	881 RENTS	$5,796	$10,659	$30,449	$19,790	
7		ALL OTHERS	$141,417	$260,066	$161,646	($98,420)	
			$336,898	$619,555	$871,443	$251,888	

* ATTACH ADDITIONAL PAGES AS NECESSARY TO PROVIDE COMPLETE JUSTIFICATION FOR VARIANCE.

SUPPORTING SCHEDULES: C-33

RECAP SCHEDULES:

SCHEDULE C-38 | O & M BENCHMARK VARIANCE BY FUNCTION | PAGE 2 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE OF OPERATION AND MAINTENANCE EXPENSE BY FUNCTION FOR THE HISTORIC BASE YEAR, THE BENCHMARK YEAR AND THE VARIANCE. FOR EACH FUNCTIONAL VARIANCE, JUSTIFY THE DIFFERENCE.

TYPE OF DATA SHOWN:
HIS. BASE YR LAST CASE: 06/30/89
HIS. BASE YR CURRENT CASE: 12/31/99
WITNESS: WILLIAMS

FERC ACCOUNTS: 911 -916 FERC FUNCTIONAL GROUP: SALES EXPENSE

	AMOUNT
TEST YEAR ADJUSTED REQUEST	$348,547
BENCHMARK	182,642
VARIANCE TO JUSTIFY	$165,905

LINE NO.	JUSTIFICATION NO.		DESCRIPTION	BASE YEAR (PRIOR CASE) ACTUAL O&M	BENCHMARK	HISTORIC BASE YEAR O&M REQUESTED	BENCHMARK VARIANCE	JUSTIFICATION * ON PAGE #
1	1	912	DEMONSTRATION AND SELLING	$88,109	$162,032	$347,341	$185,309	Justification is on Schedule C-38, page 3 of 3.
2	2	913	ADVERTISING	$10,147	$18,660	$0	($18,660)	
3	3	916	MISCELLANEOUS SALES EXPEN	$1,060	$1,949	$1,206	($743)	
				$99,316	$182,642	$348,547	$165,905	

* ATTACH ADDITIONAL PAGES AS NECESSARY TO PROVIDE COMPLETE JUSTIFICATION FOR VARIANCE.

SUPPORTING SCHEDULES: C-33

RECAP SCHEDULES:

SCHEDULE C-38 | O & M BENCHMARK VARIANCE BY FUNCTION | PAGE 3 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE OF OPERATION AND MAINTENANCE EXPENSE BY FUNCTION FOR THE HISTORIC BASE YEAR, THE BENCHMARK YEAR AND THE VARIANCE. FOR EACH FUNCTIONAL VARIANCE, JUSTIFY THE DIFFERENCE.

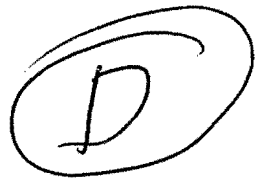
TYPE OF DATA SHOWN:
HIS. BASE YR LAST CASE: 06/30/89
HIS. BASE YR CURRENT CASE: 12/31/99
WITNESS: WILLIAMS

Page	Line No.	JUSTIFICATION NO.	ACCOUNT NO.	
1 of 3	1	1	871	Due to "Open Access" on FGT pipeline, expenses increased to include personnel and communications costs for daily monitoring large industrial customers. The Company must now nominate and manage supply daily. These were previously functions of the pipeline.
1 of 3	2	2	874	Corrosion control costs are the main reason for increased expense in 874. The FPSC has cited the Company for insufficient corrosion control. These costs reflect an increase in focus in this area. The Sunshine One Call System, an underground line location system, is another major cost included in this account. These are costs that are mandated by new state law and regulation.
1 of 3	3	3	877	Odorization costs are now charged to this account. Prior to "Open Access", odorization was a pipeline expense. Now, the Company must provide odorization at 16 gate stations.
1 of 3	4	4	878	These expenses are up due to increased employee related costs and vehicle charges following the driver.
1 of 3	5	5	880	Costs related to obtaining permits, rights of way, and other City, County, & State permits increased dramatically due to system expansion.
1 of 3	6	6	881	Rents are up do to expansion into additional counties and increases in expenses for railroad rights-of-way.
2 of 3	1	1	912	Selling expenses have increased due to increases in the number of personnel in Sales. Sales staffing has increased from two to eight to accommodate an aggressive growth strategy.

Additional justification on Benchmark Variances is included in the prefiled direct testimony of Mr. Williams.

SUPPORTING SCHEDULES: C-33

RECAP SCHEDULES:



FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO. 000108-GU
MINIMUM FILING REQUIREMENTS
INDEX

RATE OF RETURN SCHEDULES

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SCHEDULE D-1 | COST OF CAPITAL - 13-MONTH AVERAGE | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE COMPANY'S 13-MONTH AVERAGE RECONCILED JURISDICTIONAL CAPITAL STRUCTURE AND COST RATES FOR EACH CLASS OF CAPITAL FOR THE HISTORIC BASE YEAR OF THE CURRENT CASE AND THE HISTORIC BASE YEAR OR TEST YEAR OF THE LAST RATE CASE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PRIOR RATE CASE YR: 12/31/98
WITNESS: WILLIAMS

		LAST RATE CASE - TEST YEAR OR HISTORIC BASE YEAR ENDED 06/30/89				PRESENT RATE CASE - HISTORIC BASE YEAR ENDED 12/31/99						
				COST RATE	WEIGHTED COST	AMOUNT PER	ADJUSTMENTS				COST	WEIGHTED
LINE NO.	CLASS OF CAPITAL (1)	DOLLARS (2)	RATIO (3)	APPROVED (4)	APPROVED (5)	BOOKS (6)	SPECIFIC (7)	PRORATA (8)	NET (9)	RATIO (10)	RATE (11)	COST (12)
1	DIVISION CAPITAL	$4,462,186	49.92%	13.00%	6.49%	$11,532,736	($2,893,983)	$0	$8,638,753	47.26%	11.00%	5.20%
2	LONG TERM DEBT	$295,734	3.31%	10.18%	0.34%	$0	$5,352,305	$0	$5,352,305	29.28%	7.63%	2.23%
3	LONG TERM DEBT-VAR	$2,293,269	25.66%	8.29%	2.13%	$0	$0	$0	$0	0.00%	0.00%	0.00%
4	SHORT TERM DEBT	$483,743	5.41%	11.08%	0.60%	$0	$1,778,845	$0	$1,778,845	9.73%	6.03%	0.59%
5	FLEX RATE LIABLILITY	$0	0.00%	0.00%	0.00%	$0	$48,880	$0	$48,880	0.26%	6.30%	0.02%
6	CUSTOMER DEPOSITS	$271,535	3.04%	8.48%	0.26%	$627,767	$0	$0	$827,767	3.43%	6.44%	0.22%
7	TAX CRDTS - 0 COST	$481,321	5.38%	0.00%	0.00%	$346,024	$0	$0	$346,024	1.89%	0.00%	0.00%
8	DEFERRED INCOME TA	$651,040	7.28%	0.00%	0.00%	$1,370,750	$119,250	$0	$1,490,000	8.15%	0.00%	0.00%
9	DEFERRED INC. TAXES-109		0.00%	0.00%		($119,250)	$0	$0	($119,250)	-0.65%	0.00%	0.00%
10	REG ASSET\LIAB. 109	$0	0.00%	0.00%	0.00%	$119,250	$0	$0	$119,250	0.65%	0.00%	0.00%
11	OTHER (EXPLAIN)	$0	0.00%	0.00%	0.00%	$0	$0	$0	$0	0.00%	0.00%	0.00%
12	TOTAL	$8,938,828	100.00%		9.81%	$13,877,277	$4,403,297	$0	$18,280,574	100.00%		8.26%

SUPPORTING SCHEDULES: B-1 p.2, D-2 p.1, D-3, D-4, D-5, D-6

RECAP SCHEDULES: A-1, A-2, C-22

SCHEDULE D-1 | APPLICANT'S AVERAGE COST OF CAPITAL-HISTORICAL DATA | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE COMPNAY'S 13-MONTH AVERAGE CAPITAL STRUCTURE AND COST RATE FOR THE MOST RECENT YEAR PRIOR TO THE HISTORIC BASE YEAR. (CONSISTENT WITH THE METHODOLOGY OF SCHEDULE D-1 PAGE 1)

TYPE OF DATA SHOWN:
HISTORIC BASE YR - 1 : 12/31/98
WITNESS: WILLIAMS

HISTORIC BASE YEAR - 1 (YEAR ENDED 12/31/98)

LINE NO.	CLASS OF CAPITAL (1)	DOLLAR AMOUNT (2)	PERCENT OF TOTAL (3)	COST RATE (4)	WEIGHTED COST RATE (3)X(4) (5)
1	COMMON EQUITY	$8,066,822	49.17%	11.00%	5.41%
2	LONG TERM DEBT	$5,556,645	33.88%	7.84%	2.66%
3	LONG TERM DEBT-IRB	$4,808	0.03%	6.37%	0.00%
4	SHORT TERM DEBT	$774,121	4.72%	5.67%	0.27%
5	CUSTOMER DEPOSITS	$552,967	3.37%	8.48%	0.29%
6	TAX CREDITS-0 COST	$361,418	2.20%	0.00%	0.00%
7	FLEX RATE LIABILITY	$39,813	0.24%	5.52%	0.01%
8	DEFERRED INCOME TA	$1,045,969	6.38%	0.00%	0.00%
9	REG ASSET/LIAB 109	$157,467	0.96%	0.00%	0.00%
10	DEFERRED INC. TAX-10	($157,467)	-0.96%	0.00%	0.00%
11	TOTAL	$16,404,583	100.00%		8.63%

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SCHEDULE D-2 | LONG-TERM DEBT OUTSTANDING | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE ANALYSIS, AS SPECIFIED, OF EACH OUTSTANDING ISSUE OF LONG-TERM DEBT, ON A 13 MONTH AVERAGE BASIS, FOR THE HISTORIC BASE YEAR

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	ISSUE (1)	ISSUE DATE (2)	MATURITY DATE (3)	PRINCIPAL OUTSTANDING 12/31/99 (4)	(PREMIUM) DISCOUNT (5)	ISSUING EXPENSE (6)	NET (5)+(6) (7)	LIFE (YEARS) (8)	AMORTIZATION (7)/(8) (9)	INTEREST (10)	ANNUAL TOTAL COST (9)+(10) (11)
1	CHESAPEAKE SERIES 1- 9.37%	12/22/89	12/15/04	$4,140,000		$12,307	$12,307	4.9167	$2,503	$388,699	$391,202
2	CHESAPEAKE DEBENTURES - 8.25%	2/24/89	3/1/14	$3,754,646		$164,650	$164,650	14.1667	$11,622	305,071	$316,693
3	CHESAPEAKE SENIOR NOTE- 7.97%	2/9/93	2/1/08	$9,153,846		$71,285	$71,285	8.0833	$8,819	723,942	$732,761
4	CHESAPEAKE SENIOR NOTE 2 - 6.91%	10/2/95	10/1/10	$10,000,000		$140,536	$140,536	10.7500	$13,073	691,000	$704,073
5	CHESAPEAKE SENIOR NOTE 3 - 6.85%	12/15/97	1/1/12	$10,000,000		$77,121	$77,121	12.0000	$6,427	685,000	$691,427
6	SERIES H					$34,048	$34,048	1.2500	$27,238	0	$27,238
7	TOTAL			$37,048,692	$0	$499,947	$499,947		$69,682	$2,793,712	$2,863,394
8	UNAMORTIZED PREMIUM, DISCOUNT, AND ISSUE EXPENSE			$499,947							
9	NET			$37,548,639							
10	EMBEDDED COST OF LONG-TERM DEBT (11)/(4)			7.63%							

SUPPORTING SCHEDULES: B-1 p.2

RECAP SCHEDULES: D-1 p.1

SCHEDULE D-2 | LONG-TERM DEBT OUTSTANDING | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE AN EXPLANATION OF CALL PROVISIONS AND SPECIAL RESTRICTIONS INCLUDING SERIES, DUE DATE, AND DEBT TYPE FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

NARRATIVE EXPLANATION:

1 CHESAPEAKE SERIES 1 @ 9.37% — Redeemable at a calculated Optional Redemption Price plus interest.

2 CHESAPEAKE DEBENTURES @ 8.25%

YEAR BEGINNING MARCH 1	REDEMPTION PRICE
2000	102.25%
2001	101.75%
2002	101.25%
2003	100.75%
2004	100.25%
2005 UNTIL MATURITY	100%

3 CHESAPEAKE SENIOR NOTE @ 7.97% — Redeemable at any time for 100% plus accrued interest plus calculated Make Whole Amount

4 CHESAPEAKE SENIOR NOTE 2 @ 6.91% — Redeemable at any time for 100% plus accrued interest plus calculated Make Whole Amount

5 CHESAPEAKE SENIOR NOTE 3 @ 8.85% — Redeemable at any time for 100% plus accrued interest plus calculated Make Whole Amount

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE D-3 | SHORT TERM DEBT | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE ANALYSIS OF SHORT TERM DEBT INCLUDING EACH OUTSTANDING ISSUE OF SHORT TERM DEBT ON 13 MONTH AVERAGE FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

OUTSTANDING SHORT TERM DEBT

LINE NO.	DESCRIPTION (1)	AVERAGE INTEREST EXPENSE (2)	MATURITY DATE (3)	AVERAGE AMOUNT OUTSTANDING HISTOR. BASE YR (4)	EFFECTIVE COST RATE (2)/(4) (5)
1	AVERAGE OVERNIGHT BORROWING	$596,738	DAILY	$9,896,212	6.03%
2		$596,738		$9,896,212	6.03%

SUPPORTING SCHEDULES: B-1 p.2

RECAP SCHEDULES: D-1 p.1

SCHEDULE D-4 | PREFERRED STOCK | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE ANALYSIS, AS SPECIFIED, OF PREFERRED STOCK ON A 13 MONTH AVERAGE BASIS FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	ISSUE (1)	ISSUE DATE (2)	CALL PROVISIONS OR SPECIAL RESTRICTIONS (3)	PRINCIPAL AMOUNT OUTSTANDING (4)	DISCOUNT OR PREMIUM ASSOCIATED WITH (4) (5)	ISSUING EXPENSE ASSOCIATED WITH (4) (6)	NET PROCEEDS (4)+(5)-(6) (7)	COUPON RATE (8)	DOLLAR DIVIDENDS (8 X 4) (9)	EFFECTIVE COST RATE (9)/(7) (10)

NO PREFERRED STOCK ISSUED

SUPPORTING SCHEDULES: B-1 p.2

RECAP SCHEDULES: D-1 p.1

SCHEDULE D-5 | COMMON STOCK ISSUES - ANNUAL DATA | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE ANALYSIS OF COMMON STOCK ISSUES, AS SPECIFIED, FOR THE HISTORIC BASE YEAR AND THREE PREVIOUS CALENDAR YEARS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR - 1: 12/31/98
HISTORIC BASE YR - 2: 12/31/97
HISTORIC BASE YR - 3: 12/31/96
WITNESS: WILLIAMS

LINE NO.	METHOD OF ISSUE (1)	PRICE PER SHARE (2)	SHARES ISSUED (3)	GROSS PROCEEDS (2)X(3) (4)	ISSUE EXPENSE (5)	NET PROCEEDS (4)-(5) (6)	NET PROCEEDS PER SHARE (6)/(3) (7)	TOTAL SHARES OUTSTANDING (8)
1	BEGINNING BALANCE 12/31/95							4,860,588
2	ISSUE FOR YEAR 1996							
3	Dividend Reinvestment Plan	$15.88	33,926	$538,607		$538,607	$15.88	
4	USI Restricted Stock Award	$15.76	21,859	$344,570		$344,570	$15.76	
5	Conversion of Debentures	$16.52	881	$14,557		$14,557	$16.52	
6	Company's Retirement Plan	$16.10	20,398	$328,464		$328,464	$16.10	
7	Exercised Stock Options	$16.32	1,863	$30,411		$30,411	$16.32	
8	ENDING BALANCE 12/31/96							4,939,515
9	ISSUE FOR YEAR 1997							
10	Dividend Reinvestment Plan	$16.94	32,169	$544,851		$544,851	$16.94	
11	Conversion of Debentures	$17.01	9,166	$155,902		$155,902	$17.01	
12	Company's Retirement Plan	$17.41	23,228	$404,297		$404,297	$17.41	
13	ENDING BALANCE 12/31/97							5,004,078
14	ISSUE FOR YEAR 1998							
15	Dividend Reinvestment Plan	$18.53	32,925	$609,946		$609,946	$18.53	
16	Conversion of Debentures	$17.01	6,401	$108,851		$108,851	$17.01	
17	Company's Retirement Plan	$17.94	26,018	$466,759		$466,759	$17.94	
18	Performance Shares	$19.25	24,366	$469,046		$469,046	$19.25	
19	ENDING BALANCE 12/31/98							5,093,788
20	ISSUE FOR YEAR 1999							
21	Dividend Reinvestment Plan	$17.74	36,319	$644,331		$644,331	$17.74	
22	Conversion of Debentures	$17.01	8,631	$146,798		$146,798	$17.01	
23	Company's Retirement Plan	$17.67	46,208	$816,306		$816,306	$17.67	
24	Performance Shares	$17.63	1,600	$28,200		$28,200	$17.63	
25	ENDING BALANCE 12/31/99		325,958			$5,651,896	$17.34	5,186,546

SUPPORTING SCHEDULES:

RECAP SCHEDULES: D-1 p.1

SCHEDULE D-6 | CUSTOMER DEPOSITS | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES

DOCKET NO.:000108-GU

EXPLANATION: PROVIDE MONTHLY BALANCES, INTEREST RATES, AND INTEREST PAYMENTS ON CUSTOMER DEPOSITS FOR THE HISTORIC BASE YEAR. INDICATE THE COMPANY POLICY ON COLLECTING DEPOSITS, DEPOSIT SIZE, PAYMENT OF INTEREST, AND REFUNDS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	MONTH & YEAR (1)	CUSTOMER DEPOSITS @ 6.0% (2)	CUSTOMER DEPOSITS @ 7.0% (3)	INACTIVE CUSTOMER DEPOSITS (4)	TOTAL CUSTOMER DEPOSITS (2)+(3)+(4) (5)		INTEREST EXPENSE (2)*(6%/12) (6)	INTEREST EXPENSE (3)*(7%/12) (7)	TOTAL INTEREST (6)+(7) (8)
1	Dec-98	$351,738	$264,974	$2,192	$618,904		1,759	1,546	3,304
2	Jan-99	$352,099	$265,274	$75	$617,449		1,760	1,547	3,308
3	Feb-99	$357,031	$266,874	$0	$623,905		1,785	1,557	3,342
4	Mar-99	$356,436	$267,394	$88	$623,919		1,782	1,560	3,342
5	Apr-99	$352,346	$267,694	$447	$620,487		1,762	1,562	3,323
6	May-99	$353,284	$268,944	$648	$622,876		1,766	1,569	3,335
7	Jun-99	$356,403	$271,094	$50	$627,547		1,782	1,581	3,363
8	Jul-99	$353,030	$272,594	$45	$625,669		1,765	1,590	3,355
9	Aug-99	$354,412	$276,094	$146	$630,652		1,772	1,611	3,383
10	Sep-99	$355,877	$276,394	$0	$632,271		1,779	1,612	3,392
11	Oct-99	$354,278	$281,194	$0	$635,472		1,771	1,640	3,412
12	Nov-99	$361,979	$281,194	$0	$643,173		1,810	1,640	3,450
13	Dec-99	$351,147	$287,294	$201	$638,642		1,756	1,676	3,432
14				13-MONTH AVG.	$627,767	12-MONTH TOTAL	$21,292	$19,145	$40,437
15				EFFECTIVE INTEREST RATE	6.44%				

NARRATIVE DESCRIPTION: SEE ATTACHED SHEETS

SUPPORTING SCHEDULES: B-1 p.1

RECAP SCHEDULES: D-1 p.1

SCHEDULE D-7

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

SOURCES AND USES OF FUNDS

EXPLANATION: PROVIDE A SUMMARY OF SOURCES AND USES OF FUNDS FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

YEAR ENDING 12/31/99

LINE NO.			
	Operating Activities		
1	Net Income	$	593,526
	Adjustments to reconcile net income to net operating cash:		
2	Depreciation and amortization		1,239,164
3	Deferred income taxes, net		(22,544)
4	Investment tax credit adjustments		(19,523)
5	Mark-to-market adjustments		-
6	Employee benefits		82,710
7	Employee compensation from lapsing of stock restrictions		-
8	Other, net		(2,727)
	Changes in assets and liabilities:		
9	Accounts receivable, net		(1,352,611)
10	Inventory, materials, supplies and storage gas		(83,566)
11	Other current assets		(73,004)
12	Other deferred charges		(21,409)
13	Accounts payable, net		883,675
14	Refunds payable to customers		277,332
15	Overrecovered purchased gas costs		144,885
16	Other current liabilities		180,801
17	Net cash provided by operating activities		1,626,710
	Investing Activities		
18	Property, plant and equipment expenditures, net		(3,880,566)
19	Net cash used by investing activities		(3,880,566)
	Financing Activities		
20	Increase in intercompany payable to Chesapeake		2,579,438
21	Net cash used by financing activities		2,579,438
22	***Net Increase (Decrease) in Cash and Cash Equivalents***		325,550
23	***Cash and Cash Equivalents at Beginning of Year***		136,691
24	***Cash and Cash Equivalents at End of Year***	$	462,271

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE D-8 | ISSUANCE OF SECURITIES | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A BRIEF NARRATIVE DESCRIPTION OF SECURITY ISSUANCES SINCE THE LAST RATE PROCEEDING TO INCLUDE DOLLAR AMOUNT, COST RATE, AND PURPOSE OF ISSUANCES.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

	NARRATIVE DESCRIPTION	Date of Issuance	Date of Maturity	Amount	Rate	Purpose
1	9.37% First Mortgage Sinking Fund Bonds	12/15/89	12/15/04	$8,200,000	9.37%	Repay a portion of the short-term borrowing
2	7.97% Unsecured Senior Notes	2/9/93	2/1/08	$10,000,000	7.97%	Repay a portion of the short-term borrowing and $3,600,000 of the 10.45% Series H Bonds that were originally due 4/1/01
3	6.91% Unsecured Senior Notes	10/2/95	10/1/10	$10,000,000	6.91%	Repay a portion of the short-term borrowing and $4,091,000 of the 10.85% senior notes that were originally due 10/1/03
4	6.85% Unsecured Senior Notes	12/15/97	1/1/12	$10,000,000	6.85%	Repay a portion of the short-term borrowing

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE D-9 | SUBSIDIARY INVESTMENTS | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE AVERAGE ANNUAL AMOUNT AND SOURCE OF CAPITAL OF EACH SUBSIDIARY INVESTMENT FOR THE THREE MOST RECENT CALENDAR YEARS AND THE 13-MONTH AVERAGE BALANCE FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR - 1: 12/31/98
HISTORIC BASE YR - 2: 12/31/97
HISTORIC BASE YR - 3: 12/31/96
WITNESS: WILLIAMS

LINE NO.	SUBSIDIARY NAME (1)	YEAR OF FORMATION (2)	SOURCE OF INVESTMENT (3)	YEAR ENDED 1996	1997	1998	1999
1	Chesapeake Utilities Corporation						
2	Delaware Division	1947	Long-Term and Short-Term Debt	($1,844,840)	$1,866,451	($1,764,561)	($387,740)
3	Maryland Division	1948	Long-Term and Short-Term Debt	($904,226)	$1,782,881	($683,525)	$1,728,312
4	Florida Division	1985	Long-Term and Short-Term Debt	($150,863)	$409,485	$241,973	($2,579,437)
5	Peninsula Energy System	1993	Long-Term and Short-Term Debt	$266,666	($26,811)	$7,305	$47,128
6	Propane Piping Systems	1996	Long-Term and Short-Term Debt	($125,466)	($86,502)	($115,559)	($432,635)
7	Executive Division		Long-Term and Short-Term Debt	$4,498,147	$2,857,537	($1,878,606)	$4,473,690
8	Subsidiaries of Chesapeake Utilities Corporation						
9	Eastern Shore Natural Gas Company	1955	Long-Term and Short-Term Debt	($1,189,685)	($4,639,029)	$2,253,745	($4,478,685)
10	Sharp Energy, Inc.	1986	Long-Term and Short-Term Debt	$0	$0	$0	$0
11	Chesapeake Service Company	1989	Long-Term and Short-Term Debt	$0	$0	$0	$0
12	United Systems, Inc.	1991	Long-Term and Short-Term Debt	$181,008	$101,973	$9,638	$537,980
13	Tri-County Gas Company, Inc.	1997	Long-Term and Short-Term Debt	$0	$0	$0	$0
14	Eastern Shore Real Esate	1997	Long-Term and Short-Term Debt	($11,778)	($966,124)	$6,163	$96,098
15	Xeron, Inc.	1998	Long-Term and Short-Term Debt	$0	$0	$1,631,814	$2,174,914
16	Sam Shannahan Well Company, Inc.	1998	Long-Term and Short-Term Debt	$0	$0	($801,217)	($522,158)
17	Sharp Water, Inc.	1999	Long-Term and Short-Term Debt	$0	$0	$0	$0
18	Subsidiary of Eastern Shore Natural Gas Company						
19	Dover Exploration Company	1973	Long-Term and Short-Term Debt	$0	$0	$0	$0
20	Subsidiaries of Sharp Energy, Inc.						
21	Sharpgas, Inc.	1981	Long-Term and Short-Term Debt	($557,486)	($1,478,632)	$1,517,560	($683,613)
22	Sharpoil, Inc.	1988	Long-Term and Short-Term Debt	$0	$0	$0	$0
23	Subsidiaries of Chesapeake Service Company						
24	Skipjack, Inc.	1979	Long-Term and Short-Term Debt	($255,374)	($184,547)	($426,652)	$198,199
25	Capital Data Systems, Inc.	1988	Long-Term and Short-Term Debt	$93,875	$363,319	$1,923	($2,182)
26	Currin and Associates, Inc.	1988	Long-Term and Short-Term Debt	$0	$0	$0	$0
27	Chesapeake Investment Company	1989	Long-Term and Short-Term Debt	$0	$0	$0	$0
28	Subsidiary of Sharp Water, Inc.						
29	Ecowater Systems of Michigan, Inc.	1999	Long-Term and Short-Term Debt	$0	$0	$0	($168,873)

Note: Year of Formation reflects the year that Chesapeake Utilities Corporation formed or acquired.

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE D-10 | RECONCILIATION OF AVERAGE CAPITAL STRUCTURE TO AVERAGE JURISDICTIONAL RATE BASE | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: RECONCILE THE TOTAL CAPITAL STRUCTURE TO THE 13 MONTH AVERAGE JURISDICTIONAL RATE BASE SHOWING ALL BALANCE SHEET ACCOUNTS AND INDIVIDUAL ADJUSTMENTS NECESSARY TO CONSTRUCT RATE BASE. BASED ON CURRENT COMMISSION RULES, POLICY, AND PRECEDENT AS ESTABLISHED IN MOST RECENT RATE CASES.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

YEAR ENDED 12/31/99

LINE NO.	TOTAL COMPANY CAPITAL STRUCTURE		RECONCILING ADJUSTMENTS*			RECONCILED CAPITAL STRUCTURE**	
	COMPONENT	PER BOOKS	RECONCILING ITEMS	SPECIFIC	PRORATA	COMPONENT	ADJUSTED
1	COMMON EQUITY	$11,532,736	SEE SCHEDULE D-1, PAGE 1	($2,893,983)		COMMON EQUITY	$8,638,753
2	LONG TERM DEBT	$0	SEE SCHEDULE D-1, PAGE 1	$5,352,305		LONG TERM DEBT	$5,352,305
3	SHORT TERM DEBT	$0	SEE SCHEDULE D-1, PAGE 1	$1,778,845		SHORT TERM DEBT	$1,778,845
4	CUSTOMER DEPS.	$627,767	SEE SCHEDULE D-1, PAGE 1	$0		CUSTOMER DEPS.	$627,767
5	FLEX RATE LIABILITY	$0	SEE SCHEDULE D-1, PAGE 1	$46,880		FLEX RATE LIABILITY	$46,880
6	TAX CREDITS-0 COST	$346,024	SEE SCHEDULE D-1, PAGE 1	$0		TAX CREDITS-0 COST	$346,024
7	DEFERRED INC. TAX	$1,370,750	SEE SCHEDULE D-1, PAGE 1	$119,250		DEFERRED INC. TAX	$1,490,000
8	DEFFERED INCOME T,	($119,250)	SEE SCHEDULE D-1, PAGE 1	$0		DEFFERED INCOME T,	($119,250)
9	REG ASSET\LIAB 109	$119,250	SEE SCHEDULE D-1, PAGE 1	$0		REG ASSET\LIAB 109	$119,250
10	TOTAL	$13,877,277		$4,403,297		TOTAL	$18,280,574

* LIST CORRESPONDING ADJUSTMENTS TO RATE BASE

** THIS SCHEDULE MUST EQUAL JURISDICTIONAL RATE BASE

SUPPORTING SCHEDULES: D-1 p.1, B-2, B-3

RECAP SCHEDULES:

SCHEDULE D-11 | FINANCIAL INDICATORS - CALCULATION OF INTEREST AND PREFERRED DIVIDEND COVERAGE RATIOS | PAGE 1 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE CALCULATIONS FOR THE FOLLOWING - INTEREST COVERAGE RATIOS AND PREFERRED DIVIDEND COVERAGE (INCLUDING AND EXCLUDING AFUDC FOR EACH INDICATOR) FOR THE HISTORIC BASE YEAR (UNDER CURRENT AND PROPOSED RATES), THE PRIOR YEAR, AND THE 3 PREVIOUS CALENDAR YEARS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR - 1 : 12/31/98
WITNESS: WILLIAMS

LINE NO.	INDICATOR	3 PREVIOUS CALENDAR YEARS 1995	1996	1997	MONTH AND YEAR ENDED 12/99 PRIOR YEAR	HISTORIC BASE YEAR CURRENT RATE	HIS. BASE YR. PROPOSED RATES
	INCLUDING ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION						
1	EARNINGS BEFORE INTEREST (INCLUDING AFUDC)	$1,371,439	$1,373,791	$1,206,359	$1,267,034	$1,189,953	$851,989
2	DEBT PORTION OF ALLOW. FOR FUNDS USED DURING CONSTR.	0	0	0	0	0	0
3	INCOME TAXES	513,378	554,993	406,625	468,990	363,679	(44,770)
4	EARNINGS BEFORE INTEREST AND TAXES (1)+(2)+(3)	1,884,817	1,928,784	1,612,984	1,736,024	1,553,632	807,219
5	INTEREST (BEFORE DEDUCTING AFUDC)	589,648	512,511	572,892	545,452	596,427	661,187
6	PRE-TAX INTEREST COVERAGE RATIO (4)/(5)	3.1965	3.7634	2.8155	3.1827	2.6049	1.2209
7	EARNINGS AFTER INTEREST, AFTER TAXES (4)-(3)-(5)	$781,791	$861,280	$633,467	$721,582	$593,526	$190,802
8	PREFERRED DIVIDENDS	0	0	0	0	0	0
9	PREFERRED DIVIDENDS COVERAGE RATIO (7)/(8)	N/A	N/A	N/A	N/A	N/A	N/A
	EXCLUDING ALLOWANCES FOR FUNDS USED DURING CONSTRUCTION						
10	EARNINGS BEFORE INTEREST (INCLUDING OTHER AFUDC)	$1,371,439	$1,373,791	$1,206,359	$1,267,034	$1,189,953	$851,989
11	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION	0	0	0	0	0	0
12	INCOME TAXES	513,378	554,993	406,825	468,990	363,679	(44,770)
13	EARNINGS BEFORE INTEREST AND TAXES (10)-(11)+(12)	1,884,817	1,928,784	1,612,984	1,736,024	1,553,632	807,219
14	INTEREST (BEFORE DEDUCTING ALLOWANCE BORROWED FUDC)	589,648	512,511	572,892	545,452	596,427	661,187
15	PRE-TAX INTEREST COVERAGE RATIO (13)/(14)	3.1965	3.7634	2.8155	3.1827	2.6049	1.2209
16	EARNINGS AFTER INTEREST, AFTER TAXES (13)-(12)-(14)	$781,791	$861,280	$633,487	$721,582	$593,526	$190,802
17	PREFERRED DIVIDENDS	0	0	0	0	0	0
18	PREFERRED DIVIDEND COVERAGE RATIO (16)/(17)	N/A	N/A	N/A	N/A	N/A	N/A

DATA REFLECTS FLORIDA DIVISIONS PROJECTED TEST YEAR

SUPPORTING SCHEDULES:

RECAP SCHEDULES: A-6

SCHEDULE D-11 | FINANCIAL INDICATORS - CALCULATION OF PERCENTAGE OF CONSTRUCTION FUNDS GENERATED INTERNALLY | PAGE 2 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE INFORMATION, AS SPECIFIED, USED TO CALCULATE THE PERCENTAGE OF CONSTRUCTION FUNDS GENERATED INTERNALLY.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR - 1 : 12/31/98
WITNESS: GEOFFROY

LINE NO.	INDICATOR FUNDS FROM CURRENT OPERATIONS:	3 PREVIOUS CALENDAR YEARS 1995	 1996	 1997	MONTH AND YEAR ENDED 12/99 PRIOR YEAR	 HISTORIC BASE YEAR CURRENT RATE	 HISTORIC BASE YEAR PROPOSED RATES
1	NET INCOME	$781,791	$881,280	$633,467	$721,582	$593,526	($114,382)
2	DEPRECIATION AND AMORTIZATION	858,353	972,525	965,682	1,062,221	1,136,652	1,373,148
3	ITC (NET)	(19,523)	(19,523)	(19,523)	(19,523)	(19,523)	(19,523)
4	DEFERRED TAXES (NET)	(491,085)	586,080	106,361	567,384	(22,544)	39,244
5	AFUDC	0	0	0	0	0	0
6	TOTAL FUNDS FROM CURRENT OPERATION (1)+(2)+(3)+(4)-(5)	1,129,536	2,400,362	1,685,987	2,331,664	1,690,111	1,278,486
7	RETIREMENTS AND REDEMPTIONS	0	0	0	0	0	0
8	DIVIDENDS (PREFERRED AND COMMON)	0	0	0	0	0	0
9	TOTAL FUNDS GENERATED INTERNALLY (6)-(7)-(8)	1,129,536	2,400,362	1,685,987	2,331,664	1,690,111	1,278,486
10	CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC)	2,645,444	1,183,367	1,586,521	1,958,280	2,450,960	3,067,448
11	PERCENTAGE OF CONSTRUCTION FUNDS GENERATED INTERNALLY (9)/(10)	42.70%	202.64%	106.27%	119.07%	68.98%	41.68%

SUPPORTING SCHEDULES:

RECAP SCHEDULES: A-6

SCHEDULE D-11 | FINANCIAL INDICATORS - AFUDC AS PERCENTAGE OF INCOME AVAILABLE FOR COMMON | PAGE 3 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: CALCULATE THE AFUDC AS A PERCENTAGE OF INCOME AVAILABLE FOR COMMON FOR THE HISTORIC BASE YEAR, (UNDER CURRENT AND PROPOSED RATES), THE PRIOR YEAR, AND THE THREE PREVIOUS CALENDAR YEARS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR - 1 : 12/31/98
WITNESS: GEOFFROY

LINE NO.	INDICATOR	3 PREVIOUS CALENDAR YEARS			MONTH AND YEAR ENDED 12/99		
		1995	1996	1997	PRIOR YEAR	HISTORIC BASE YEAR CURRENT RATE	HISTORIC BASE YEAR PROPOSED RATES
1	ALLOWANCES FOR FUNDS USED DURING CONSTRUCTION	$0	$0	$0	$0	$0	$0
2	DEFERRED TAXES ON DEBT COMPONENT OF AFUDC	0	0	0	0	0	0
3	NET ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (1)-(2)	0	0	0	0	0	0
4	INCOME AVAILABLE FOR COMMON	781,791	861,280	633,467	721,582	593,526	190,802
5	AFUDC AS A PERCNTAGE OF INCOME AVAILABLE FOR COMMON (3)/(4)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

SUPPORTING SCHEDULES:

RECAP SCHEDULES: A-6

SCHEDULE D-12 | APPLICANT'S MARKET DATA | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE INFORMATION, AS SPECIFIED, FOR THE MOST RECENT FIVE YEAR HISTORICAL MARKET DATA FOR THE COMPANY OR CONSOLIDATED COMPANY (IF APPLICANT'S STOCK IS NOT PUBLICLY TRADED).

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR - 1: 12/31/98
HISTORIC BASE YR - 2: 12/31/97
HISTORIC BASE YR - 3: 12/31/96
HISTORIC BASE YR - 4: 12/31/95
WITNESS: WILLIAMS

LINE NO.	INDICATORS	12/31/95 HBY-4 (1)	12/31/96 HBY-3 (2)	12/31/97 HBY-2 (3)	12/31/98 HBY-1 (4)	12/31/99 HISTORIC BASE YEAR* (5)
1	MARKET/BOOK RATIO	1.43	1.61	1.67	1.64	1.54
2	AVERAGE PRICE/EARNING RATIO	8.62	10.68	15.26	17.41	11.34
3	AVERAGE PRE-TAX INTEREST COVERAGE (INCLUDING AFUDC)	4.4x	4.5x	3.3x	3.3x	4.1x
4	AVERAGE PRE-TAX INTEREST COVERAGE (EXCLUDING AFUDC)	4.3x	4.4x	3.2x	3.3x	4.0x
5	EARNED RETURNS ON AVERAGE BOOK EQUITY	16.88%	15.35%	10.94%	9.41%	13.75%
6	DIVIDENDS/SHARE	$0.90	$0.93	$0.97	$1.00	$1.02
7	EARNINGS/SHARE	$1.56	$1.55	$1.17	$1.04	$1.57
8	AVERAGE MARKET VALUE/SHARE	$13.44	$16.58	$17.86	$18.11	$17.81
9						

*HISTORICAL ONLY

SUPPORTING SCHEDULES:

RECAP SCHEDULES:



FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP

DOCKET NO.: 000108-GU

EXPLANATION: THERM SALES AND REVENUES BY RATE SCHEDULE UNDER PRESENT RATES.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

LINE NO.		RESIDENTIAL	GENERAL SERVICE COMMERCIAL	COMMERCIAL LARGE VOLUME	INDUSTRIAL	INDUSTRIAL INTERRUPTIBLE	TRANSPORTATION	SPECIAL CONTRACT	OTHER REVENUE		TOTAL
1	NO. OF BILLS	104,937	9,598	296	272	138	298	35			115,574
2	THERM SALES	2,109,072	4,576,505	1,577,734	6,074,056	8,770,946	73,055,786	21,190,660			117,354,759
3	UNBILLED THERM SALES	0	0	0	0	0	0	0	725,112		725,112
4	TOTAL THERM SALES	2,109,072	4,576,505	1,577,734	8,074,056	8,770,946	73,055,786	21,190,660	725,112		118,079,871
5	CUSTOMER CHARGE REVENUE	734,531	$143,970	$5,900	$10,920	$52,500	$0	$0	$0		$947,821
6	BASE NON-FUEL REVENUE	989,260	1,012,094	272,743	479,182	485,913	2,505,884	422,713	0		6,147,569
7	UNBILLED BASE NON-FUEL REVENUE	0	0	0	0	0	0	0	14,999		14,999
8	TOTAL BASE NON-FUEL REVENUE	$1,723,791	$1,156,064	$278,643	$490,102	$518,413	$2,505,664	$422,713	$14,999		$7,110,389
9	FUEL REVENUE	817,285	1,764,720	610,763	2,331,602	2,287,276	0	0			7,811,648
10	UNBILLED FUEL REVENUE	0	0	0	0	0	0	0	0		0
11	TOTAL FUEL REVENUE	$817,285	$1,784,720	$610,763	$2,331,602	$2,287,276	$0	$0	$0		$7,811,646
12	OTHER REVENUE (1)	0	0	0	0	0	0		60,333		60,333 0
13	TOTAL REVENUE	$2,541,076	$2,920,784	$889,406	$2,821,704	$2,805,689	$2,505,664	$422,713	$75,332	$0	$14,962,368

(1) OTHER REVENUE (regulated only):

14	SERVICE REVENUE	$60,333
15		
16		
17		
18		
19		
20		
21		
22	TOTAL	$60,333

RECONCILING ITEMS:

FINAL CUSTOMERS 1/00	318
UNEXPLAINED VARIANCE	21,218
TAXES OTHER	807,250
TURN ON OFF CHARGES	733,944
SALES TAX DISCOUNT	1,141
DEFERRED FLEX REVENUE	58,973
MISC CHECK CHARGES	4,065
SALE FOR RESALE	884,657
TOTAL REVENUE (PER SCHEDULE C-3)	$17,293,932

SUPPORTING SCHEDULES: C-3, C-4

RECAP SCHEDULES: E-2

SCHEDULE E-1 | COST OF SERVICE | PAGE 2 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP

DOCKET NO.: 000108-GU

EXPLANATION: THERM SALES AND REVENUES BY RATE SCHEDULE UNDER PRESENT RATES, ADJUSTED FOR GROWTH IN BILLS AND THERMS, WITHOUT ANY RATE INCREASE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

LINE NO.		RESIDENTIAL	GENERAL SERVICE COMMERCIAL	COMMERCIAL LARGE VOLUME	INDUSTRIAL	INDUSTRIAL INTERRUPTIBLE	TRANSPORTATION	SPECIAL CONTRACT	OTHER REVENUE	TOTAL
23	NO. OF BILLS	129,156	11,136	240	72	60	624	84	0	141,372
24	THERM SALES	2,697,780	5,120,925	1,259,939	923,000	6,690,000	27,756,500	76,150,000	0	120,598,144
25	UNBILLED THERM SALES	0	0	0	0	0	0	0	725,112	725,112
26	TOTAL THERM SALES	2,697,780	5,120,925	1,259,939	923,000	6,690,000	27,756,500	76,150,000	725,112	121,323,256
27	CUSTOMER CHARGE REVENUE	$ 904,092	$ 167,040	$ 4,800	$ 2,880	$ 21,000	$ 47,280	$ -	$ -	$ 1,147,092
28	BASE NON-FUEL REVENUE	$ 1,285,394	$ 1,132,493	$ 217,806	$ 72,815	$ 355,373	$ 2,059,031	$ 1,380,734	$ -	$ 6,483,645
29	UNBILLED BASE NON-FUEL REVENUE	0	$0	$0	$0	$0	$0	$0	$14,999	$ 14,999
30	TOTAL BASE NON-FUEL REVENUE	$ 2,189,486	$ 1,299,533	$ 222,606	$ 75,895	$ 376,373	$ 2,106,311	$ 1,380,734	$ 14,999	$ 7,645,736
31	OTHER REVENUE								$ 60,333	$ 60,333
32	TOTAL REVENUE	$ 2,189,486	$ 1,299,533	$ 222,606	$ 75,695	$ 376,373	$ 2,106,311	$ 1,380,734	$ 75,332	$ 7,706,069
33	DIFF. IN NO. OF BILLS	24,219	1,538	(56)	(200)	(78)	326	49	0	25,798
34	DIFF. IN THERM SALES	588,708	544,420	(317,795)	(5,151,056)	(2,080,946)	(45,299,286)	54,959,340	0	3,243,385
35	DIFF. IN CUSTOMER CHARGE REVENUE	$169,561	$23,070	($1,100)	($8,040)	($31,500)	$47,280	$0	$0	$199,271
36	DIFF. IN BASE NON-FUEL REVENUE	$1,180,226	$287,438	($50,137)	($403,487)	($89,540)	($399,353)	$958,021	$0	$1,463,168
37	DIFF. IN OTHER REVENUE	$0	$0	$0	$0	$0	$0	$0	$0	$0
38	DIFF. IN TOTAL REVENUE	$1,349,787	$310,508	($51,237)	($411,527)	($121,040)	($352,073)	$958,021	$0	$1,682,439

SUPPORTING SCHEDULES: G-6 p.2

RECAP SCHEDULES: E-2

SCHEDULE E-1 | COST OF SERVICE | PAGE 3 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: THERM SALES AND REVENUES BY RATE SCHEDULE UNDER PROPOSED RATES.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP

DOCKET NO.: 000108-GU

LINE NO.		RESIDENTIAL	GENERAL SERVICE COMMERCIAL	COMMERCIAL LARGE VOLUME	INDUSTRIAL	INDUSTRIAL INTERRUPTIBLE	TRANSPORTATION	SPECIAL CONTRACT	OTHER REVENUE	TOTAL
39	NO. OF BILLS (1)	129,156	11,136	240	72	60	824	84	0	141,372
40	THERM SALES (2)	2,697,780	5,120,925	1,259,939	923,000	8,690,000	27,756,500	76,150,000	0	120,598,144
41	CUSTOMER CHARGE REVENUE	$ 2,181,270	$ 336,390	$ 45,000	$ 18,000	$ 26,400	$ 247,200	$ -	$ -	$2,854,260
42	BASE NON-FUEL REVENUE	$ 410,892	$ 1,281,978	$ 205,703	$ 98,086	$ 572,032	$ 2,607,612	$ 1,380,734	$ -	6,557,038
43	FUEL REVENUE	$ 1,069,460	$ 1,463,493	$ 240,009	$ 365,898	$ 2,652,084	$0	$0	$0	5,790,925
44	OTHER REVENUE (3)	$0	$0	$0	$0	$0	$0	$0	106,340	106,340
45	TOTAL REVENUE	$ 3,661,622	$ 3,081,862	$ 490,712	$ 481,984	$ 3,250,496	$ 2,854,812	$ 1,380,734	$ 106,340	$ 15,308,563
	INCREASE									
46	DOLLAR AMOUNT (41+42-8) (4)	$ 868,371	$ 482,304	$ (27,940)	$ (374,016)	$ 80,019	$ 349,148	$ 958,021	$ (14,999)	$ 2,300,909
47	DOLLAR AMOUNT (41+42-30) (5)	$ 422,676	$ 318,836	$ 28,097	$ 40,391	$ 222,059	$ 748,501	$ -	$ (14,999)	$ 1,765,562
48	% NON-FUEL ((41+42)/8)	150.38%	139.99%	89.97%	23.69%	115.44%	113.93%	326.64%	0.00%	132.36%
49	% TOTAL (45/13)	144.10%	105.51%	55.17%	17.06%	115.85%	113.93%	326.64%	141.16%	102.18%

(1) REFLECTS INCREASE IN BILLS FOR THE YEAR THE NEW RATES ARE EXPECTED TO BE IN EFFECT.
(2) REFLECTS INCREASE IN CONSUMPTION FOR THE YEAR THE NEW RATES ARE EXPECTED TO BE IN EFFECT.
(3) IDENTIFY OTHER REVENUE.
(4) HISTORIC BASE YEAR VS PROJECTED TEST YEAR
(5) HISTORIC BASE YEAR ADJUSTED FOR GROWTH VS PROJECTED TEST YEAR

		PRESENT			PROPOSED			INCREASE		
	SERVICE CHARGES	NUMBER	CHARGE	REVENUE	NUMBER	CHARGE	REVENUE	NUMBER	CHARGE	REVENUE
50	CONNECTION CHARGE-RESIDENTIAL	1,935	$22.00	$42,570	2,459	$30.00	$73,770	524	$8.00	$31,200
51	CONNECTION CHARGE-COMMERCIAL	25	$22.00	$550	22	$60.00	$1,320	(3)	$38.00	$770
52	RECONNECTION CHARGE-RESIDENTIA	559	$22.00	$12,298	600	$30.00	$18,000	41	$8.00	$5,702
53	RECONNECTION CHARGE-COMMERCIA	25	$22.00	$550	25	$60.00	$1,500	0	$38.00	$950
54	COLLECTION IN LIEU OF DISCONNECT	0	$9.00	$0	150	$15.00	$2,250	150	$6.00	$2,250
55	CHANGE OF ACCOUNT	0	$0.00	$0	100	$20.00	$2,000	100	$20.00	$2,000
56	RETURN CHECK CHARGE	291	$15.00	$4,365	300	$25.00	$7,500	9	$10.00	$3,135
57	TOTAL	2,835		$ 60,333	3,656		$ 106,340	821		$ 46,007

SUPPORTING SCHEDULES: G-6 p.2, H-1 p.1

RECAP SCHEDULES: E-2, H-2 p.5, H-3 p.3

SCHEDULE E-2 | COST OF SERVICE | PAGE 1 OF 4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE REVENUES CALCULATED AT PRESENT RATES, PRESENT RATES ADJUSTED FOR GROWTH ONLY FOR THE PROJECTED TEST YEAR, AND FINAL RATES AS PROPOSED.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

		PRESENT RATE STRUCTURE			PRESENT RATES ADJUSTED FOR GROWTH ONLY			FINAL PROPOSED RATE STRUCTURE		
RATE SCHEDULE		BILLING DETERMINANTS	PRESENT RATES	REVENUE	BILLING DETERMINANTS	PRESENT RATES	REVENUE	BILLING DETERMINANTS	PROPOSED RATES	REVENUE
RESIDENTIAL										
	CUSTOMER CHAR(	104,937	$7.00	$734,531			$0			$0
	ENERGY CHARGE	2,109,072	$0.46905	989,260	N/A		0	N/A		0
	TOTAL			$1,723,791			$0			$0
GENERAL SERVICE COMMERCIAL										
	CUSTOMER CHAR(	9,598	$15.00	$143,970			$0			$0
	ENERGY CHARGE	4,576,505	$0.22115	1,012,094	N/A		0	N/A		0
	TOTAL			$1,156,064			$0			$0
COMMERCIAL LARGE VOLUME										
	CUSTOMER CHAR(	296	$19.93	$5,900			$0			$0
	ENERGY CHARGE	1,577,734	$0.17287	272,743	N/A		0	N/A		0
	TOTAL			$278,643			$0			$0
INDUSTRIAL										
	CUSTOMER CHAR(	272	$40.15	$10,920			$0			$0
	ENERGY CHARGE	6,074,056	$0.07889	479,182	N/A		0	N/A		0
	TOTAL			$490,102			$0			$0
INDUSTRIAL INTERRUPTIBLE	CUSTOMER CHAR(	138	$380.43	$52,500			$0			$0
	ENERGY CHARGE	8,770,948	$0.05312	465,913	N/A		0	N/A		0
	TOTAL			$518,413			$0			$0
TRANSPORTATION (FTS+CTS+LVCTS	CUSTOMER CHAR(	298	$0.00	$0			$0			$0
	ENERGY CHARGE	73,055,786	VARIOUS	2,505,664	N/A		0	N/A		0
	TOTAL			$2,505,664			$0			$0
PECIAL CONTRACT										
	CUSTOMER CHAR(	35	$0.00	$0			$0			$0
	ENERGY CHARGE	21,190,660	VARIOUS	422,713			0			0
	TOTAL			$422,713			$0			$0
TOTAL		117,354,759		$7,095,390						

SUPPORTING SCHEDULES: E-1, H-1 p.1

RECAP SCHEDULES:

SCHEDULE E-2 | COST OF SERVICE | PAGE 2 OF 4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE REVENUES CALCULATED AT PRESENT RATES, PRESENT RATES ADJUSTED FOR GROWTH ONLY FOR THE PROJECTED TEST YEAR, AND FINAL RATES AS PROPOSED.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

			PRESENT RATES ADJUSTED FOR GROWTH ONLY			FINAL PROPOSED RATE STRUCTURE		
Line No	RATE SCHEDULE		BILLING DETERMINANTS	PRESENT RATES	REVENUE	BILLING DETERMINANTS	PROPOSED RATES	REVENUE
1	GS-1 (Residential)	CUSTOMER CHARGE	98,792	$7.00	$877,544	98,792	$15.00	$1,451,880
2	SALES 0-300	ENERGY CHARGE	1,359,558	$0.46905	$637,701	1,359,558	$0.10220	$138,944
3		TOTAL			$1,315,245			$1,590,824
4	GS-2 (Residential)	CUSTOMER CHARGE	32,244	$7.00	$225,708	32,244	$22.50	$725,490
5	SALES 301-3,000	ENERGY CHARGE	1,297,123	$0.46905	$608,416	1,297,123	$0.20038	$259,917
6		TOTAL			$834,124			$985,407
7	GS-3 (Residential)	CUSTOMER CHARGE	120	$7.00	$840	120	$32.50	$3,900
8	SALES 3,001-10,000	ENERGY CHARGE	41,099	$0.46905	$19,277	41,099	$0.29273	$12,031
9		TOTAL			$20,117			$15,931
10	GS-1 (Com/Ind)	CUSTOMER CHARGE	1,944	$15.00	$29,160	1,944	$15.00	$29,160
11	SALES 0-300	ENERGY CHARGE	47,299	$0.22115	$10,460	47,299	$0.10220	$4,834
12		TOTAL			$39,620			$33,994
13	TS-1 (Com/Ind)	CUSTOMER CHARGE	0	$15.00	$0	0	$15.00	$0
14	TRANS. 0-300	ENERGY CHARGE	0	$0.22115	$0	0	$0.10220	$0
15		TOTAL			$0			$0
16	GS-2 (Com/Ind)	CUSTOMER CHARGE	3,852	$15.00	$57,780	3,852	$22.50	$86,670
17	SALES 301-3,000	ENERGY CHARGE	588,870	$0.22115	$130,229	588,870	$0.20038	$117,996
18		TOTAL			$188,009			$204,666
19	TS-2 (Com/Ind)	CUSTOMER CHARGE	360	$15.00	$5,400	360	$32.50	$11,700
20	TRANSP 301-3,000	ENERGY CHARGE	18,810	$0.22115	$4,160	18,810	$0.20038	$3,769
21		TOTAL			$9,560			$15,469
22	GS-3 (Com/Ind)	CUSTOMER CHARGE	2,904	$15.00	43,560	2,904	$32.50	$94,380
23	SALES 3,001-10,000	ENERGY CHARGE	1,706,275	$0.22115	377,785	1,708,275	$0.29273	$500,067
24		TOTAL			$421,345			$594,447
25	TS-3 (Com/Ind)	CUSTOMER CHARGE	480	$15.00	$7,200	480	$42.50	$20,400
26	TRANSP 3,001-10,000	ENERGY CHARGE	277,320	$0.22115	$81,329	277,320	$0.29273	$81,180
27		TOTAL			$88,529			$101,580
28	GS-4 (Com/Ind)	CUSTOMER CHARGE	720	$15.00	10,800	720	$40.00	$28,800
29	SALES 10,001-25,000	ENERGY CHARGE	898,984	$0.22115	198,808	898,984	$0.24908	$223,912
30		TOTAL			$209,808			$252,712

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SCHEDULE E-2 | COST OF SERVICE | PAGE 3 OF 4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO : 000108-GU

EXPLANATION: PROVIDE REVENUES CALCULATED AT PRESENT RATES, PRESENT RATES ADJUSTED FOR GROWTH ONLY FOR THE PROJECTED TEST YEAR, AND FINAL RATES AS PROPOSED.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

			PRESENT RATES ADJUSTED FOR GROWTH ONLY			FINAL PROPOSED RATE STRUCTURE		
Line No.	RATE SCHEDULE		BILLING DETERMINANTS	PRESENT RATES	REVENUE	BILLING DETERMINANTS	PROPOSED RATES	REVENUE
31	TS-4 (Com/Ind)	CUSTOMER CHARGE	576	$15.00	$8,640	576	$55.00	$31,680
32	TRANSP 10,001-25,000	ENERGY CHARGE	719,184	$0.22115	$159,048	719,184	$0.24908	$179,133
33		TOTAL			$167,688			$210,813
34	GS-5 Com/Ind)	CUSTOMER CHARGE	156	$15.00	2,340	156	$100.00	$15,600
35	SALES 25,001-50,000	ENERGY CHARGE	448,347	$0.22115	99,152	448,347	$0.19843	$88,965
36		TOTAL			$101,492			$104,565
37	TS-5 (Com/Ind)	CUSTOMER CHARGE	144	$15.00	$2,160	144	$125.00	$18,000
38	TRANSP 25,001-50,000	ENERGY CHARGE	413,856	$0.22115	$91,524	413,856	$0.19843	$82,121
39		TOTAL			$93,684			$100,121
40	GS-6 (Com/Ind)	CUSTOMER CHARGE	120	$20.00	2,400	120	$175.00	$21,000
41	SALES 50,001-100,000	ENERGY CHARGE	605,439	$0.17267	104,662	605,439	$0.16326	$98,847
42		TOTAL			$107,062			$119,847
43	TS-6 (Com/Ind)	CUSTOMER CHARGE	120	$20.00	$2,400	120	$200.00	$24,000
44	TRANSP 50,001-100,000	ENERGY CHARGE	654,500	$0.17267	$113,143	654,500	$0.16326	$106,856
45		TOTAL			$115,543			$130,856
46	GS-7 (FIRM Com/Ind)	CUSTOMER CHARGE	72	$40.00	2,880	72	$250.00	$18,000
47	SALES 100,001-500,000	ENERGY CHARGE	923,000	$0.07889	72,815	923,000	$0.10827	$98,086
48		TOTAL			$75,695			$116,086
49	GS-7 (INT Com/Ind)	CUSTOMER CHARGE	0	$350.00	$0	0	$250.00	$0
50	SALES 100,001-500,000	ENERGY CHARGE	0	$0.05312	0	0	$0.10827	$0
51		TOTAL			$0			$0
52	TS-7 (FIRM Com/Ind)	CUSTOMER CHARGE	348	$40.00	$13,920	348	$300.00	$104,400
53	TRANSP 100,000-500,00	ENERGY CHARGE	7,042,500	$0.07669	$555,583	7,042,500	$0.10827	$748,401
54		TOTAL			$569,503			$852,801
55	TS-7 (INT Com/Ind)	CUSTOMER CHARGE	48	$350.00	$16,800	48	$300.00	$14,400
56	TRANSP 100,000-500,00	ENERGY CHARGE	1,327,000	$0.05312	$70,490	1,327,000	$0.10827	$141,019
57		TOTAL			$87,290			$155,419
58	GS-8 (FIRM Com/Ind)	CUSTOMER CHARGE	0	$40.00	0	0	$350.00	$0
59	SALES 100,001-500,000	ENERGY CHARGE	0	$0.07669	0	0	$0.09875	$0
60		TOTAL			$0			$0
61	GS-8 (INT Com/Ind)	CUSTOMER CHARGE	24	$350.00	$8,400	24	$350.00	$8,400
62	SALES 100,001-500,000	ENERGY CHARGE	1,270,000	$0.05312	$67,462	1,270,000	$0.09875	$122,873
63		TOTAL			$75,862			$131,273

SCHEDULE E-2 | COST OF SERVICE | PAGE 4 OF 4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE REVENUES CALCULATED AT PRESENT RATES, PRESENT RATES ADJUSTED FOR GROWTH ONLY FOR THE PROJECTED TEST YEAR, AND FINAL RATES AS PROPOSED.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

			PRESENT RATES ADJUSTED FOR GROWTH ONLY			FINAL PROPOSED RATE STRUCTURE		
Line No.	RATE SCHEDULE		BILLING DETERMINANTS	PRESENT RATES	REVENUE	BILLING DETERMINANTS	PROPOSED RATES	REVENUE
64	TS-8 (FIRM Com/Ind)	CUSTOMER CHARGE	156	$40.00	$6,240	156	$500.00	$78,000
65	TRANSP 100,000-500,00	ENERGY CHARGE	8,039,000	$0.07889	$634,197	8,039,000	$0.09675	$777,774
66		TOTAL			$640,437			$855,774
67	TS-8 (INT Com/Ind)	CUSTOMER CHARGE	0	$350.00	$0	0	$500.00	$0
68	TRANSP 100,000-500,00	ENERGY CHARGE	0	$0.05312	$0	0	$0.09675	$0
69		TOTAL			$0			$0
70	GS-9 (FIRM Com/Ind)	CUSTOMER CHARGE	0	$40.00	0	0	$500.00	$0
71	SALES 100,001-500,000	ENERGY CHARGE	0	$0.07889	0	0	$0.08287	$0
72		TOTAL			$0			$0
73	GS-8 (INT Com/Ind)	CUSTOMER CHARGE	36	$350.00	$12,600	36	$500.00	$18,000
74	SALES 100,001-500,000	ENERGY CHARGE	5,420,000	$0.05312	$287,910	5,420,000	$0.08287	$449,159
75		TOTAL			$300,510			$467,159
76	TS-9 (FIRM Com/Ind)	CUSTOMER CHARGE	48	$40.00	$1,920	48	$700.00	$33,600
77	TRANSP 100,000-500,00	ENERGY CHARGE	7,604,000	$0.07889	$599,880	7,604,000	$0.08287	$630,149
78		TOTAL			$601,800			$663,749
79	TS-9 (INT Com/Ind)	CUSTOMER CHARGE	24	$350.00	$8,400	24	$700.00	$16,800
80	TRANSP 100,000-500,00	ENERGY CHARGE	3,744,000	$0.05312	$198,881	3,744,000	$0.08287	$310,288
81		TOTAL			$207,281			$327,088
82	SPECIAL CONTRACT	CUSTOMER CHARGE	84	$0.0000	$0	84	Various	
83		ENERGY CHARGE	76,150,000	VARIOUS	1,380,734	76,150,000	Various	1,380,734
84		TOTAL			$1,380,734			$1,380,734
85			120,598,144		$7,630,737	120,598,144		$9,411,296

SUPPORTING SCHEDULES: E-1, H-1 p.1

RECAP SCHEDULES:

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SCHEDULE E-3 | COST STUDY - CONNECTIONS AND RECONNECTIONS | PAGE 1 OF 6

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE AMOUNT OF TIME AND THE COST FOR THE INITIAL CONNECTION OF A RESIDENTIAL CUSTOMER

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

	DESCRIPTION	TIME INVOLVED		COST
1	CUSTOMER CONTACT:			
	Customer Service Office- One or more contacts by developer/builder/residential customer; contact made in person or by phone at a rate of 10.64 per hour. Application, update CIS system, process cash deposit or provide information for letter of credit, schedule day and time of call issue order, forward order to dispatcher to be placed on schedule.	25	minutes	4.43
	Process completed order in CIS for proper billing, invoice turn on fee, and file .	25		
2	CONNECTION AT SITE:			
	One way travel time at an average rate of 12.82 per hour.	19	minutes	4.06
	Contact customer at site, evaluate job, identify meter location and evaluate condition of meter, regulator and installation at $12.82 per hour.	10	minutes	2.14
	Unlock meter, pressure test system for 10 minutes, light and/or cycle all appliances making necessary adjustments to equipment, have customer or agent witness odorant test, complete paper work.	29	minutes	6.20
		58		
	Transportation clearing at 15 % of total "Connection at Site" payroll.			1.86
3	MATERIALS AND SUPPLIES:			
	Customer Information Packet			2.00
4	OVERHEADS:			
	Insurances and employee benefits at 30% of each hourly rate applied to the time involved per function.			5.05
5	SUPERVISION/ADMINISTRATION:			
	Allocation of Dispatcher, Senior Customer Service Representative, Service Coordinator and Customer Services Manager payroll per function.			8.08
6	OUTSIDE CONTRACTOR COST:			
7	OTHER: (EXPLAIN)			
8	TOTAL COST OF CONNECTING INITIAL SERVICE			$33.81

SUPPORTING SCHEDULES:

RECAP SCHEDULES: H-1 p.1

SCHEDULE E-3 | COST STUDY - CONNECTIONS AND RECONNECTIONS | PAGE 2 OF 6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE AMOUNT OF TIME AND THE COST FOR THE INITIAL CONNECTION OF A COMMERCIAL CUSTOMER.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

	DESCRIPTION	TIME INVOLVED	COST
1	CUSTOMER CONTACT:		
	Customer Service Office- One or more contacts made by commercial customer; contact made in person or by phone at a rate of 10.64 per hour. Application, update CIS system, process cash deposit or provide information for letter of credit, schedule first call, issue orders, forward order to dispatcher, process completed orders in CIS for proper billing. Invoice turn on fee and file order. Most commercial customers require the service tech to make two calls- to meet with a fire marshall or to provide support to to equipment installers and/or contractors before gas is left on Provide information to Insurance or Banking establishment if bond or letter of credit is chosen in leiu of cash deposit.	25	4.43
		25	
2	CONNECTION AT SITE:		
	One way travel time at an average rate of 12.82 per hour for 1.5 Service Techs.	21	6.73
	Contact Customer at site, evaluate job, identify meter set area.	16	5.13
	Unlock gas meter and start pressure test, ask about scheduling meeting with Fire Marshall make pressure test of system, cycle all appliances, make necessary adjustments to equipment, have customer or agent witness odorant test, fill out paper work. Based on 1.5 Service Techs.	67	21.47
		104	
	Transportation clearing at 15 % of total payroll on the job.		5.00
3	MATERIALS AND SUPPLIES:		
	New Customer Folder		2.00
4	OVERHEADS:		
	Insurances and employee benefits at 30% of each hourly rate applied to the time involved per function.		11.33
5	SUPERVISION/ADMINISTRATION:		
	Allocation of Dispatcher, Senior Customer Service Representative, Service Coordinator and Customer Services Manager payroll per function.		9.06
6	OUTSIDE CONTRACTOR COST:		
7	OTHER: (EXPLAIN)		
8	TOTAL COST OF CONNECTING INITIAL SERVICE		$65.16

SUPPORTING SCHEDULES:

RECAP SCHEDULES: H-1 p.1

SCHEDULE E-3 | COST STUDY - DISCONNECTION AND RECONNECTIONS | PAGE 3 OF 6

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE AMOUNT OF TIME AND THE COST FOR THE RECONNECTION OF A RESIDENTIAL CUSTOMER AFTER DISCONNECTION FOR CAUSE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

	DESCRIPTION	TIME INVOLVED		COST
1	CUSTOMER CONTACT:			
	Customer Service Office- One or more contacts by residential customer; contact made in person or by phone at a rate of 10.64 per hour. Balance inquires, process payment and possible new cash deposit. Schedule day and time of service call, issue order, forward order to dispatcher to be placed on schedule. Process completed order in CIS for proper billing, invoice turn on fee, and file .	15 15	minutes	2.66
2	CONNECTION AT SITE:			
	One way travel time at an average rate of 12.82 per hour.	19	minutes	4.06
	Contact customer at site, evaluate job, identify meter set area at 12.82 per hour	10	minutes	2.14
	Unlock meter, pressure test system, light and/or cycle all appliances, making necessary adjustments to equipment, have customer or agent witness odorant test, fill out paper work.	29 58	minutes	6.20
	Transportation clearing at 15 % of total payroll on the job.			1.86
3	MATERIALS AND SUPPLIES: none			
4	OVERHEADS: Insurances and employee benefits at 30% of each hourly rate applied to the time involved per function.			3.87
5	SUPERVISION/ADMINISTRATION: Allocation of Dispatcher, Senior Customer Service Representative, Service Coordinator and Customer Services Manager payroll per function.			8.08
6	OUTSIDE CONTRACTOR COST:			
7	OTHER: (EXPLAIN)			
8	TOTAL COST OF RECONNECTING SERVICE AFTER DISCONNECTION FOR CAUSE:			$28.86

SUPPORTING SCHEDULES:

RECAP SCHEDULES: H-1 p.1

SCHEDULE E-3 | COST STUDY - DISCONNECTION AND RECONNECTIONS | PAGE 4 OF 6

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000106-GU

EXPLANATION: PROVIDE THE AMOUNT OF TIME AND THE COST FOR THE RECONNECTION OF A COMMERCIAL CUSTOMER AFTER DISCONNECTION FOR CAUSE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

	DESCRIPTION	TIME INVOLVED	COST
1	CUSTOMER CONTACT:		
	Customer Service Office- One or more contacts made by commercial customer; contact made in person or by phone at a rate of 10.64 per hour. Payment inquiries, update CIS system, process cash payment or credit card payment, schedule first call, issue orders, forward order to dispatcher, process completed orders in CIS for proper billing. Invoice turn on fee and file order. Re-evaluate security deposit.	15	2.66
		15	
2	CONNECTION AT SITE:		
	One way travel time at an average rate of 12.62 per hour for 1.5 Service Techs.	21	6.73
	Contact Customer at site, evaluate job, identify meter set area.	16	5.13
	Unlock gas meter and start pressure test, make pressure test of system, cycle all appliances, make necessary adjustments to equipment, have customer or agent witness odorant test, fill out paper work. Based on 1.5 Service Techs.	57	18.27
		94	
	Transportation clearing at 15 % of total payroll on the job.		4.52
3	MATERIALS AND SUPPLIES:		
	New Customer Folder		2.00
4	OVERHEADS:		
	Insurances and employee benefits at 30% of each hourly rate applied to the time involved per function.		9.84
5	SUPERVISION/ADMINISTRATION:		
	Allocation of Dispatcher, Senior Customer Service Representative, Service Coordinator and Customer Services Manager payroll per function.		9.06
6	OUTSIDE CONTRACTOR COST:		
7	OTHER: (EXPLAIN)		
8	TOTAL COST OF CONNECTING INITIAL SERVICE		$56.21

SUPPORTING SCHEDULES:

RECAP SCHEDULES: H-1 p.1

SCHEDULE E-3 | COST STUDY - COST OF COLLECTION IN LIEU OF DISCONNECTION | PAGE 5 OF 6

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE COST OF DISCONNECTING SERVICE AND THE COST OF BILL COLLECTION IN LIEU OF DISCONNECTION.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

	DESCRIPTION	DISCONNECTION OF SERVICE		BILL COLLECTION IN LIEU OF DISCONNECTION	
		TIME INVOLVED	COST	TIME INVOLVED	COST
1	CUSTOMER CONTACT: Customer Service Office will attempt one or more contacts with customer; contact is made by sending a delinquent notice or from the field at the time of attempted turn off. Issue turn off order and forward to dispatcher for scheduling. Process meter orders for proper billing and file. Charged at 10.64 per hour.	20	3.55	20	3.55
2	CONNECTION AT SITE: One way travel time at an average rate of 12.82 per hour.	15	3.21	15	3.21
	Contact Customer at site. Perform collections by explaining the purpose of service call. Disclose amount past due and allow time for phone call to office. Collect cash, check or wait for business office to run credit card payment or turn off meter and lock.	15	3.21		
	Turn off - meter will be turned off and locked. A information tag will be left on meter. A final meter reading will be obtained.			8	1.71
	Transportation clearing at 15 % of total payroll on the job.		0.96		1.27
3	MATERIAL AND SUPPLIES: None				
4	OVERHEADS: Insurances and employee benefits at 30% of each hourly rate applied to the time involved per function.		2.03		1.58
5	SUPERVISION/ADMINISTRATION: Allocation of Dispatcher, Senior Customer Service Representative, Service Coordinator and Customer Services Manager payroll per function.		4.78		3.24
6	OUTSIDE CONTRACTOR COST:				
7	OTHER: (EXPLAIN)				
8	TOTAL COST OF COLLECTING BILL OR DISCONNECTING SERIVICE:		$17.72		$14.55

SUPPORTING SCHEDULES

RECAP SCHEDULES: H-1 p.1

SCHEDULE E-3 | COST STUDY - ADMINISTRATIVE COST FOR NAME AND ADDRESS CHANGES | PAGE 6 OF 6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE ADMINISTRATIVE COSTS FOR NAME AND/OR BILLING ADDRESS CHANGES. (METER READ ONLY)

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP

DOCKET NO.: 000108-GU

	DESCRIPTION	TIME INVOLVED	COST
1	CUSTOMER CONTACT:		
	Customer Service Office- One or more contacts by residential customer; contact made in person or by phone at a rate of 10.64 per hour. Update CIS with customer information for new customer process new deposit. Update CIS with final information on previous customer. Schedule day and time of service call, issue two orders, forward orders to dispatcher to be placed on schedule. Process completed orders in CIS for proper billing, invoice turn on fee, and file .	25	4.43
2	METER READ AT SITE:		
	One way travel time at an average rate of 12.82 per hour.	19	4.06
	Inspect meter installation for any maintenance required. Do any needed maintenance such cleaning or replacing dials. Read meter and record proper meter information.	10	2.14
	Transportation clearing at 15 % of total payroll on the job.		0.93
3	MATERIALS AND SUPPLIES:		
	New Customer Information Packet		2.00
4	OVERHEADS:		
	Insurances and employee benefits at 30% of each hourly rate applied to the time involved per function.		3.19
5	SUPERVISION/ADMINISTRATION:		
	Allocation of Dispatcher, Senior Customer Service Representative, Service Coordinator and Customer Services Manager payroll per function.		5.10
6	OTHER: (EXPLAIN)		
7	TOTAL OF ADMINISTRATIVE COSTS FOR NAME AND/OR BILLING ADDRESS CHANGES (METER READ ONLY)		$21.85

SUPPORTING SCHEDULES:

RECAP SCHEDULES: H-1 p.1

SCHEDULE E-4 | COST OF SERVICE | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF SYSTEM PEAK MONTH SALES BY RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

SYSTEM MONTHLY SALES

(THERMS)

Line No.	MONTH	YEARS ENDED - 1996 - 2001 1998	1997	1998	1999	PROJECTED 2001
1	JANUARY	13,284,508	12,049,596	11,329,358	10,611,637	11,331,513
2	FEBRUARY	11,659,213	10,583,350	9,253,888	10,435,455	10,311,389
3	MARCH	13,273,506	11,079,258	10,781,067	11,309,732	11,521,453
4	APRIL	11,983,819	10,846,966	10,092,849	10,275,041	10,363,655
5	MAY	11,470,594	11,204,223	9,242,720	9,578,937	9,759,153
6	JUNE	9,030,365	9,784,492	9,860,452	9,063,004	9,208,202
7	JULY	10,156,388	9,463,043	9,066,226	9,383,098	9,845,022
8	AUGUST	9,564,276	10,040,116	8,260,035	9,156,504	9,491,437
9	SEPTEMBER	9,352,528	8,933,847	8,685,770	7,981,425	8,299,828
10	OCTOBER	9,484,439	9,519,975	7,483,144	8,854,042	9,015,960
11	NOVEMBER	10,460,947	10,313,630	9,157,664	9,437,542	9,721,578
12	DECEMBER	10,884,340	10,460,189	9,606,965	11,268,342	11,929,155
13	TOTAL	130,584,725	124,076,487	112,820,138	117,354,759	120,598,144

SCHEDULE E-4 | COST OF SERVICE | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF SYSTEM PEAK MONTH SALES BY RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

CONTRIBUTION TO THE SYSTEM PEAK MONTH SALES BY RATE CLASS

Line No.	RATE CLASS	1996	1997	1998	1999	PROJECTED 2001
1	GS RESIDENTIAL	321,615	314,245	332,517	265,498	
2	GS COMMERCIAL	447,997	431,387	473,095	446,237	
3	GS COMMERCIAL LG VOL	187,676	195,184	141,184	162,548	
4	GS INDUSTRIAL	623,161	636,326	522,321	713,694	
5	INDUSTRIAL INTERRUPTIBLE	2,772,987	1,819,116	985,779	910,235	
6	FIRM TRANSPORTATION	1,543,330	1,845,330	1,975,120	1,401,500	
7	INTERR TRANSPORTATION	1,331,610	1,327,880	1,754,752	474,210	
8	LVCTS	6,045,130	5,480,130	5,144,590	5,265,520	
9	SPECIAL CONTRACT				1,670,290	
10	GS1					182,744
11	TS1					0
12	GS2					187,112
13	TS2					1,568
14	GS3					177,644
15	TS3					23,110
16	GS4					100,353
17	TS4					59,932
18	GS5					50,917
19	TS5					34,488
20	GS6					47,290
21	TS6					78,147
22	GS7					69,711
23	TS7					829,534
24	GS8					209,711
25	TS8					697,680
26	GS9					443,027
27	TS9					1,715,133
28	SPECIAL CONTRACT					7,041,054
29	TOTAL	13,273,506	12,049,598	11,329,358	11,309,732	11,929,155

(TOTAL EQUALS THE PEAK MONTH SALES FROM ABOVE)

SUPPORTING SCHEDULES: WORKPAPERS / H-1 p.1, H-1 p.3

RECAP SCHEDULES: H-2 p.5

SCHEDULE E-5 | COST OF SERVICE | PAGE 1 OF 27

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE RESIDENTIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: RESIDENTIAL SALES SERVICE
PROPOSED RATE SCHEDULE: GS-1 (GENERAL SALES SERVICE 0-300 ANNUAL THERMS)

PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$7.00		CUSTOMER CHARGE	$15.00
ENERGY CHARGE	$0.46905	PER THERM	ENERGY CHARGE	$0.10220 PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	5	THERMS
AVERAGE USAGE PER CUSTOMER	14	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$7.00	$7.00	$15.00	$15.00	114.29%	114.29%
5	$9.35	$11.33	$15.51	$17.49	65.98%	54.43%
10	$11.89	$15.65	$16.02	$19.99	37.05%	27.67%
15	$14.04	$19.98	$16.53	$22.48	17.79%	12.50%
20	$16.38	$24.31	$17.04	$24.97	4.05%	2.73%
25	$16.73	$28.64	$17.55	$27.47	-6.25%	-4.09%
30	$21.07	$32.96	$18.07	$29.96	-14.26%	-9.12%
35	$23.42	$37.29	$18.58	$32.45	-20.87%	-12.98%
40	$25.76	$41.62	$19.09	$34.94	-25.91%	-16.04%
45	$28.11	$45.95	$19.60	$37.44	-30.27%	-18.52%
50	$30.45	$50.27	$20.11	$39.93	-33.96%	-20.57%

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.1

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL SALES SERVICE
PROPOSED RATE SCHEDULE: GS-1 (GENERAL SALES SERVICE 0-300 ANNUAL THERMS)

	PRESENT RATES		PROPOSED RATES	
CUSTOMER CHARGE	$15.00		$15.00	
ENERGY CHARGE	$0.22115	PER THERM	$0.10220	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	5	THERMS
AVERAGE USAGE PER CUSTOMER	24	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$15.00	$15.00	$15.00	$15.00	0.00%	0.00%
5	$16.11	$18.09	$15.51	$17.49	-3.69%	-3.29%
10	$17.21	$21.18	$16.02	$19.99	-6.91%	-5.62%
15	$18.32	$24.26	$16.53	$22.48	-9.74%	-7.35%
20	$19.42	$27.35	$17.04	$24.97	-12.25%	-8.70%
25	$20.53	$30.44	$17.55	$27.47	-14.49%	-9.77%
30	$21.63	$33.53	$18.07	$29.96	-16.49%	-10.64%
35	$22.74	$36.81	$18.58	$32.45	-18.31%	-11.37%
40	$23.85	$39.70	$19.09	$34.94	-19.95%	-11.98%
45	$24.95	$42.79	$19.60	$37.44	-21.45%	-12.51%
50	$26.06	$45.88	$20.11	$39.93	-22.62%	-12.96%

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE COMMERCIAL/INDUSTRIAL TRANSPORTATION RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL SALES SERVICE*
PROPOSED RATE SCHEDULE: TS-1 (TRANSPORTATION SERVICE 0-300 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$15.00		CUSTOMER CHARGE	$20.00	
ENERGY CHARGE	$0.22115	PER THERM	ENERGY CHARGE	$0.10220	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	5	THERMS
AVERAGE USAGE PER CUSTOMER	0	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$15.00	N/A	$20.00	N/A	33.33%	N/A
5	$16.11	N/A	$20.51	N/A	27.35%	N/A
10	$17.21	N/A	$21.02	N/A	22.14%	N/A
15	$18.32	N/A	$21.53	N/A	17.56%	N/A
20	$19.42	N/A	$22.04	N/A	13.49%	N/A
25	$20.53	N/A	$22.55	N/A	9.87%	N/A
30	$21.63	N/A	$23.07	N/A	6.62%	N/A
35	$22.74	N/A	$23.58	N/A	3.68%	N/A
40	$23.85	N/A	$24.09	N/A	1.01%	N/A
45	$24.95	N/A	$24.60	N/A	-1.41%	N/A
50	$26.06	N/A	$25.11	N/A	-3.64%	N/A

* AT PRESENT THE COMPANY DOES NOT OFFER TRANSPORTATION SERVICE TO ITS EXISTING COMMERCIAL SALES SERVICE CUSTOMER CLASS.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE RESIDENTIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: RESIDENTIAL SALES service
PROPOSED RATE SCHEDULE: GS-2 (GENERAL SALES SERVICE 301-3,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$7.00		CUSTOMER CHARGE	$22.50	
ENERGY CHARGE	$0.46905	PER THERM	ENERGY CHARGE	$0.20038	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	25	THERMS
AVERAGE USAGE PER CUSTOMER	40	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$7.00	$7.00	$22.50	$22.50	221.43%	221.43%
25	$18.73	$28.64	$27.51	$37.42	46.90%	30.67%
50	$30.45	$50.27	$32.52	$52.34	6.79%	4.11%
75	$42.18	$71.91	$37.53	$67.26	-11.03%	-6.47%
100	$53.91	$93.55	$42.54	$82.18	-21.09%	-12.15%
125	$65.63	$115.18	$47.55	$97.10	-27.55%	-15.70%
150	$77.36	$136.82	$52.56	$112.02	-32.06%	-18.13%
175	$89.08	$158.46	$57.57	$126.94	-35.38%	-19.89%
200	$100.81	$180.09	$62.58	$141.86	-37.93%	-21.23%
225	$112.54	$201.73	$67.59	$156.78	-39.94%	-22.28%
250	$124.26	$223.37	$72.59	$171.70	-41.58%	-23.13%

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL SALES SERVICE
PROPOSED RATE SCHEDULE: GS-2 (GENERAL SALES SERVICE 301-3,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$15.00		CUSTOMER CHARGE	$22.50	
ENERGY CHARGE	$0.22115	PER THERM	ENERGY CHARGE	$0.20038	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	25	THERMS
AVERAGE USAGE PER CUSTOMER	153	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$15.00	$15.00	$22.50	$22.50	50.00%	50.00%
25	$20.53	$30.44	$27.51	$37.42	34.00%	22.93%
50	$26.08	$45.88	$32.52	$52.34	24.80%	14.08%
75	$31.59	$61.32	$37.53	$67.26	18.81%	9.69%
100	$37.12	$76.76	$42.54	$82.18	14.61%	7.07%
125	$42.64	$92.20	$47.55	$97.10	11.50%	5.32%
150	$48.17	$107.64	$52.56	$112.02	9.10%	4.07%
175	$53.70	$123.07	$57.57	$126.94	7.20%	3.14%
200	$59.23	$138.51	$62.58	$141.86	5.65%	2.42%
225	$64.78	$153.95	$67.59	$156.78	4.37%	1.84%
250	$70.29	$169.39	$72.59	$171.70	3.28%	1.36%

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.1

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL SALES SERVICE*
PROPOSED RATE SCHEDULE: TS-2 (TRANSPORTATION SERVICE 301-3,000 ANNUAL THERMS)

PRESENT RATES			PROPOSED RATES		
CUSTOMER CHARGE	$15.00		CUSTOMER CHARGE	$32.50	
ENERGY CHARGE	$0.22115	PER THERM	ENERGY CHARGE	$0.20038	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	25	THERMS
AVERAGE USAGE PER CUSTOMER	52	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$15.00	N/A	$32.50	N/A	116.67%	N/A
25	$20.53	N/A	$37.51	N/A	82.72%	N/A
50	$26.06	N/A	$42.52	N/A	63.17%	N/A
75	$31.59	N/A	$47.53	N/A	50.47%	N/A
100	$37.12	N/A	$52.54	N/A	41.55%	N/A
125	$42.64	N/A	$57.55	N/A	34.95%	N/A
150	$48.17	N/A	$62.56	N/A	29.86%	N/A
175	$53.70	N/A	$67.57	N/A	25.82%	N/A
200	$59.23	N/A	$72.58	N/A	22.53%	N/A
225	$64.76	N/A	$77.59	N/A	19.81%	N/A
250	$70.29	N/A	$82.59	N/A	17.51%	N/A

* AT PRESENT THE COMPANY DOES NOT OFFER TRANSPORTATION SERVICE TO ITS EXISTING COMMERCIAL SALES SERVICE CUSTOMER CLASS.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE RESIDENTIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: RESIDENTIAL SALES SERVICE
PROPOSED RATE SCHEDULE: GS-3 (GENERAL SALES SERVICE 3,001-10,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$7.00		CUSTOMER CHARGE	$32.50	
ENERGY CHARGE	$0.46905	PER THERM	ENERGY CHARGE	$0.29273	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	100	THERMS
AVERAGE USAGE PER CUSTOMER	342	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$7.00	$7.00	$32.50	$32.50	364.29%	364.29%
100	$53.91	$93.55	$61.77	$101.42	14.60%	8.41%
200	$100.81	$180.09	$91.05	$170.33	-9.69%	-5.42%
300	$147.72	$266.64	$120.32	$239.25	-18.55%	-10.27%
400	$194.62	$353.19	$149.59	$308.16	-23.14%	-12.75%
500	$241.53	$439.74	$178.87	$377.08	-25.94%	-14.25%
600	$288.43	$526.28	$208.14	$445.99	-27.84%	-15.26%
700	$335.34	$612.83	$237.41	$514.91	-29.20%	-15.98%
800	$382.24	$699.38	$266.69	$583.82	-30.23%	-16.52%
900	$429.15	$785.92	$295.96	$652.74	-31.04%	-16.95%
1,000	$476.05	$872.47	$325.23	$721.65	-31.68%	-17.29%

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.1

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL SALES SERVICE
PROPOSED RATE SCHEDULE: GS-3 (GENERAL SALES SERVICE 3,001-10,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$15.00		CUSTOMER CHARGE	$32.50	
ENERGY CHARGE	$0.22115	PER THERM	ENERGY CHARGE	$0.29273	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	100	THERMS
AVERAGE USAGE PER CUSTOMER	588	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$15.00	$15.00	$32.50	$32.50	116.67%	116.67%
100	$37.12	$76.76	$61.77	$101.42	66.44%	32.13%
200	$59.23	$138.51	$91.05	$170.33	53.72%	22.97%
300	$81.35	$200.27	$120.32	$239.25	47.91%	19.46%
400	$103.46	$262.03	$149.59	$308.16	44.59%	17.61%
500	$125.58	$323.79	$178.87	$377.08	42.44%	16.46%
600	$147.69	$385.54	$208.14	$445.99	40.93%	15.68%
700	$169.81	$447.30	$237.41	$514.91	39.81%	15.11%
800	$191.92	$509.06	$266.69	$583.82	38.96%	14.69%
900	$214.04	$570.81	$295.96	$652.74	38.28%	14.35%
1,000	$236.15	$632.57	$325.23	$721.65	37.72%	14.08%

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENTCOMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL SALES SERVICE*
PROPOSED RATE SCHEDULE: TS-3 (TRANSPORTATION SERVICE 3,001-10,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$15.00		CUSTOMER CHARGE	$42.50	
ENERGY CHARGE	$0.22115	PER THERM	ENERGY CHARGE	$0.29273	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	100	THERMS
AVERAGE USAGE PER CUSTOMER	578	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$15.00	N/A	$42.50	N/A	183.33%	N/A
100	$37.12	N/A	$71.77	N/A	93.38%	N/A
200	$59.23	N/A	$101.05	N/A	70.60%	N/A
300	$81.35	N/A	$130.32	N/A	60.21%	N/A
400	$103.46	N/A	$159.59	N/A	54.26%	N/A
500	$125.58	N/A	$188.87	N/A	50.40%	N/A
600	$147.69	N/A	$218.14	N/A	47.70%	N/A
700	$169.81	N/A	$247.41	N/A	45.70%	N/A
800	$191.92	N/A	$276.69	N/A	44.17%	N/A
900	$214.04	N/A	$305.96	N/A	42.95%	N/A
1,000	$236.15	N/A	$335.23	N/A	41.96%	N/A

* AT PRESENT THE COMPANY DOES NOT OFFER TRANSPORTATION SERVICE TO ITS EXISTING COMMERCIAL SALES SERVICE CUSTOMER CLASS.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL SLAES SERVICE
PROPOSED RATE SCHEDULE: GS-4 (GENERAL SALES SERVICE 10,001-25,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$15.00		CUSTOMER CHARGE	$40.00	
ENERGY CHARGE	$0.22115	PER THERM	ENERGY CHARGE	$0.24908	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	250	THERMS
AVERAGE USAGE PER CUSTOMER	1,249	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$15.00	$15.00	$40.00	$40.00	166.67%	166.67%
250	$70.29	$189.39	$102.27	$201.37	45.50%	18.88%
500	$125.58	$323.79	$164.54	$362.75	31.03%	12.03%
750	$180.86	$478.18	$226.81	$524.12	25.40%	9.61%
1,000	$236.15	$632.57	$289.08	$685.50	22.41%	8.37%
1,250	$291.44	$786.96	$351.35	$846.87	20.56%	7.61%
1,500	$346.73	$941.36	$413.62	$1,008.25	19.29%	7.11%
1,750	$402.01	$1,095.75	$475.89	$1,169.62	18.38%	6.74%
2,000	$457.30	$1,250.14	$538.18	$1,331.00	17.68%	6.47%
2,250	$512.59	$1,404.53	$600.42	$1,492.37	17.14%	6.25%
2,500	$567.88	$1,558.93	$662.69	$1,653.74	16.70%	6.08%

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL SLAES SERVICE
PROPOSED RATE SCHEDULE: TS-4 (TRANSPORTATION SERVICE 10,001-25,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$15.00		CUSTOMER CHARGE	$55.00	
ENERGY CHARGE	$0.22115	PER THERM	ENERGY CHARGE	$0.24908	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	250	THERMS
AVERAGE USAGE PER CUSTOMER	1,249	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$15.00	N/A	$55.00	N/A	266.67%	N/A
250	$70.29	N/A	$117.27	N/A	66.84%	N/A
500	$125.58	N/A	$179.54	N/A	42.97%	N/A
750	$180.86	N/A	$241.81	N/A	33.70%	N/A
1,000	$236.15	N/A	$304.08	N/A	28.76%	N/A
1,250	$291.44	N/A	$366.35	N/A	25.70%	N/A
1,500	$346.73	N/A	$428.62	N/A	23.62%	N/A
1,750	$402.01	N/A	$490.89	N/A	22.11%	N/A
2,000	$457.30	N/A	$553.16	N/A	20.96%	N/A
2,250	$512.59	N/A	$615.42	N/A	20.06%	N/A
2,500	$567.88	N/A	$677.69	N/A	19.34%	N/A

* AT PRESENT THE COMPANY DOES NOT OFFER TRANSPORTATION SERVICE TO ITS EXISTING COMMERCIAL SALES SERVICE CUSTOMER CLASS.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL SALES SERVICE
PROPOSED RATE SCHEDULE: GS-5 (GENERAL SALES SERVICE 25,001-50,000 ANNUAL THERMS)

	PRESENT RATES		PROPOSED RATES	
CUSTOMER CHARGE	$15.00		$100.00	
ENERGY CHARGE	$0.22115	PER THERM	$0.19843	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	500	THERMS
AVERAGE USAGE PER CUSTOMER	2,874	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$15.00	$15.00	$100.00	$100.00	566.67%	566.67%
500	$125.58	$323.79	$199.21	$397.42	58.64%	22.74%
1,000	$236.15	$632.57	$298.43	$694.85	26.37%	9.85%
1,500	$346.73	$941.36	$397.64	$992.27	14.69%	5.41%
2,000	$457.30	$1,250.14	$496.86	$1,289.70	8.65%	3.16%
2,500	$567.88	$1,558.93	$596.07	$1,587.12	4.97%	1.81%
3,000	$678.45	$1,867.71	$695.29	$1,884.55	2.48%	0.90%
3,500	$789.03	$2,176.50	$794.50	$2,181.97	0.69%	0.25%
4,000	$899.60	$2,485.28	$893.72	$2,479.40	-0.65%	-0.24%
4,500	$1,010.18	$2,794.07	$992.93	$2,776.82	-1.71%	-0.62%
5,000	$1,120.75	$3,102.85	$1,092.14	$3,074.24	-2.55%	-0.92%

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.1

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL SALES SERVICE
PROPOSED RATE SCHEDULE: TS-5 (TRANSPORTATION SERVICE 25,001-50,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$15.00		CUSTOMER CHARGE	$125.00	
ENERGY CHARGE	$0.22115	PER THERM	ENERGY CHARGE	$0.19843	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	500	THERMS
AVERAGE USAGE PER CUSTOMER	2,874	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$15.00	N/A	$125.00	N/A	733.33%	N/A
500	$125.58	N/A	$224.21	N/A	78.55%	N/A
1,000	$236.15	N/A	$323.43	N/A	36.96%	N/A
1,500	$346.73	N/A	$422.64	N/A	21.90%	N/A
2,000	$457.30	N/A	$521.86	N/A	14.12%	N/A
2,500	$567.88	N/A	$621.07	N/A	9.37%	N/A
3,000	$678.45	N/A	$720.29	N/A	6.17%	N/A
3,500	$789.03	N/A	$819.50	N/A	3.86%	N/A
4,000	$899.60	N/A	$918.72	N/A	2.12%	N/A
4,500	$1,010.18	N/A	$1,017.93	N/A	0.77%	N/A
5,000	$1,120.75	N/A	$1,117.14	N/A	-0.32%	N/A

* AT PRESENT THE COMPANY DOES NOT OFFER TRANSPORTATION SERVICE TO ITS EXISTING COMMERCIAL SALES SERVICE CUSTOMER CLASS.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL LARGE VOLUME SALES SERVICE
PROPOSED RATE SCHEDULE: GS-8 (GENERAL SALES SERVICE 50,001-100,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$20.00		CUSTOMER CHARGE	$175.00	
ENERGY CHARGE	$0.17287	PER THERM	ENERGY CHARGE	$0.16326	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	1,000	THERMS
AVERAGE USAGE PER CUSTOMER	5,045	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$20.00	$20.00	$175.00	$175.00	775.00%	775.00%
1,000	$192.87	$589.29	$338.26	$734.68	75.38%	24.67%
2,000	$365.74	$1,156.58	$501.52	$1,294.36	37.12%	11.72%
3,000	$538.61	$1,727.87	$664.78	$1,854.04	23.43%	7.30%
4,000	$711.48	$2,297.16	$828.04	$2,413.72	16.38%	5.07%
5,000	$884.35	$2,866.45	$991.30	$2,973.40	12.09%	3.73%
6,000	$1,057.22	$3,435.74	$1,154.56	$3,533.08	9.21%	2.83%
7,000	$1,230.09	$4,005.03	$1,317.82	$4,092.76	7.13%	2.19%
8,000	$1,402.96	$4,574.32	$1,481.08	$4,652.44	5.57%	1.71%
9,000	$1,575.83	$5,143.61	$1,644.34	$5,212.12	4.35%	1.33%
10,000	$1,748.70	$5,712.90	$1,807.60	$5,771.80	3.37%	1.03%

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: COMMERCIAL LARGE VOLUME SALES SERVICE
PROPOSED RATE SCHEDULE: TS-6 (TRANSPORTATION SERVICE 50,001-100,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$20.00		CUSTOMER CHARGE	$200.00	
ENERGY CHARGE	$0.17287	PER THERM	ENERGY CHARGE	$0.16326	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	1,000	THERMS
AVERAGE USAGE PER CUSTOMER	5,454	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$20.00	N/A	$200.00	N/A	900.00%	N/A
1,000	$192.87	N/A	$363.26	N/A	88.34%	N/A
2,000	$365.74	N/A	$526.52	N/A	43.96%	N/A
3,000	$538.61	N/A	$689.78	N/A	28.07%	N/A
4,000	$711.48	N/A	$853.04	N/A	19.90%	N/A
5,000	$884.35	N/A	$1,016.30	N/A	14.92%	N/A
6,000	$1,057.22	N/A	$1,179.56	N/A	11.57%	N/A
7,000	$1,230.09	N/A	$1,342.82	N/A	9.16%	N/A
8,000	$1,402.96	N/A	$1,506.08	N/A	7.35%	N/A
9,000	$1,575.83	N/A	$1,669.34	N/A	5.93%	N/A
10,000	$1,748.70	N/A	$1,832.60	N/A	4.80%	N/A

* AT PRESENT THE COMPANY'S ELIGIBILITY THRESHOLD FOR COMMERCIAL/INDUSTRIAL TRANSPORTATION SERVICE IS 200,000 THERMS PER YEAR.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT INDUSTRIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: INDUSTRIAL SALES SERVICE
PROPOSED RATE SCHEDULE: GS-7 (GENERAL SALES SERVICE 100,001-500,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$40.00		CUSTOMER CHARGE	$250.00	
ENERGY CHARGE	$0.07889	PER THERM	ENERGY CHARGE	$0.10627	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	5,000	THERMS
AVERAGE USAGE PER CUSTOMER	12,819	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$40.00	$40.00	$250.00	$250.00	525.00%	525.00%
5,000	$434.45	$2,416.55	$781.35	$2,763.45	79.85%	14.36%
10,000	$828.90	$4,793.10	$1,312.70	$5,276.90	58.37%	10.09%
15,000	$1,223.35	$7,169.65	$1,844.05	$7,790.35	50.74%	8.66%
20,000	$1,617.80	$9,546.20	$2,375.40	$10,303.80	46.83%	7.94%
25,000	$2,012.25	$11,922.75	$2,906.75	$12,817.25	44.45%	7.50%
30,000	$2,406.70	$14,299.30	$3,438.10	$15,330.70	42.86%	7.21%
35,000	$2,801.15	$16,675.85	$3,969.45	$17,844.15	41.71%	7.01%
40,000	$3,195.60	$19,052.40	$4,500.80	$20,357.60	40.84%	6.85%
45,000	$3,590.05	$21,428.95	$5,032.15	$22,871.05	40.17%	6.73%
50,000	$3,984.50	$23,805.50	$5,563.50	$25,384.50	39.63%	6.63%

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT INDUSTRIAL INTERRUPTIBLE RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: INDUSTRIAL INTRRUPTIBLE SALES SERVICE
PROPOSED RATE SCHEDULE: GS-7 (GENERAL SALES SERVICE 100,001-500,000 ANNUAL THERMS)*

PRESENT RATES		PROPOSED RATES	
CUSTOMER CHARGE	$350.00	CUSTOMER CHARGE	$250.00
ENERGY CHARGE	$0.05312 PER THERM	ENERGY CHARGE	$0.10627 PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	5,000	THERMS
AVERAGE USAGE PER CUSTOMER	0	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$350.00	$350.00	$250.00	$250.00	-28.57%	-28.57%
5,000	$615.60	$2,597.70	$781.35	$2,763.45	26.92%	6.38%
10,000	$881.20	$4,845.40	$1,312.69	$5,276.89	48.97%	8.91%
15,000	$1,146.80	$7,093.10	$1,844.04	$7,790.34	60.80%	9.83%
20,000	$1,412.40	$9,340.80	$2,375.38	$10,303.78	68.18%	10.31%
25,000	$1,678.00	$11,588.50	$2,906.73	$12,817.23	73.23%	10.80%
30,000	$1,943.60	$13,838.20	$3,438.08	$15,330.68	76.89%	10.80%
35,000	$2,209.20	$16,083.90	$3,969.42	$17,844.12	79.68%	10.94%
40,000	$2,474.80	$18,331.60	$4,500.77	$20,357.57	81.86%	11.05%
45,000	$2,740.40	$20,579.30	$5,032.12	$22,871.02	83.83%	11.14%
50,000	$3,006.00	$22,827.00	$5,563.48	$25,384.48	85.08%	11.20%

* THE COMPANY PROPOSES TO CONTINUE OFFERING A CONTRACT SALES SERVICE FLEXIBLE RATE FOR CUSTOMERS WITH ALTERNATE FUEL CAPABILITIES, CURRENTLY CLASSED AS INTERRUPTIBLE.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT FIRM TRANSPORTATION SERVICE RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: FIRM TRANSPORTATION SERVICE
PROPOSED RATE SCHEDULE: TS-7 (TRANSPORTATION SERVICE 100,001-500,000 ANNUAL THERMS)*

PRESENT RATES		PROPOSED RATES	
CUSTOMER CHARGE	$40.00	CUSTOMER CHARGE	$300.00
ENERGY CHARGE	$0.07889 PER THERM	ENERGY CHARGE	$0.10627 PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	5,000	THERMS
AVERAGE USAGE PER CUSTOMER	20,237	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$40.00	N/A	$300.00	N/A	650.00%	N/A
5,000	$434.45	N/A	$831.35	N/A	91.36%	N/A
10,000	$828.90	N/A	$1,362.70	N/A	64.40%	N/A
15,000	$1,223.35	N/A	$1,894.05	N/A	54.82%	N/A
20,000	$1,617.80	N/A	$2,425.40	N/A	49.92%	N/A
25,000	$2,012.25	N/A	$2,956.75	N/A	46.94%	N/A
30,000	$2,406.70	N/A	$3,488.10	N/A	44.93%	N/A
35,000	$2,801.15	N/A	$4,019.45	N/A	43.49%	N/A
40,000	$3,195.60	N/A	$4,550.80	N/A	42.41%	N/A
45,000	$3,590.05	N/A	$5,082.15	N/A	41.56%	N/A
50,000	$3,984.50	N/A	$5,613.50	N/A	40.88%	N/A

* AT PRESENT THE COMPANY'S ELIGIBILITY THRESHOLD FOR COMMERCIAL/INDUSTRIAL TRANSPORTATION SERVICE IS 200,000 THERMS PER YEAR.

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.1

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT INTERRUPTIBLE TRANSPORTATION SERVICE RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: CONTRACT TRANSPORTATION SERVICE
PROPOSED RATE SCHEDULE: TS-7 (TRANSPORTATION SERVICE 100,001-500,000 ANNUAL THERMS)*

	PRESENT RATES		PROPOSED RATES	
CUSTOMER CHARGE	$350.00		$300.00	
ENERGY CHARGE	$0.05312	PER THERM	$0.10627	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	5,000	THERMS
AVERAGE USAGE PER CUSTOMER	27,646	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$350.00	N/A	$300.00	N/A	-14.29%	N/A
5,000	$615.60	N/A	$831.35	N/A	35.05%	N/A
10,000	$881.20	N/A	$1,362.69	N/A	54.64%	N/A
15,000	$1,146.80	N/A	$1,894.04	N/A	65.16%	N/A
20,000	$1,412.40	N/A	$2,425.38	N/A	71.72%	N/A
25,000	$1,678.00	N/A	$2,956.73	N/A	76.21%	N/A
30,000	$1,943.60	N/A	$3,488.08	N/A	79.46%	N/A
35,000	$2,209.20	N/A	$4,019.42	N/A	81.94%	N/A
40,000	$2,474.80	N/A	$4,550.77	N/A	83.88%	N/A
45,000	$2,740.40	N/A	$5,082.12	N/A	85.45%	N/A
50,000	$3,006.00	N/A	$5,613.46	N/A	86.74%	N/A

* AT PRESENT THE COMPANY'S ELIGIBILITY THRESHOLD FOR COMMERCIAL/INDUSTRIAL TRANSPORTATION SERVICE IS 200,000 THERMS PER YEAR.
* THE COMPANY PROPOSES TO CONTINUE OFFERING A CONTRACT TRANSPORTATION SERVICE FLEXIBLE RATE FOR CUSTOMERS WITH ALTERNATE FUEL CAPABILITIES, CURRENTLY CLASSED AS INTERRUPTIBLE.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT INDUSTRIAL RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: INDUSTRIAL SALES SERVICE
PROPOSED RATE SCHEDULE: GS-8 (GENERAL SALES SERVICE 500,001-1,000,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$40.00		CUSTOMER CHARGE	$350.00	
ENERGY CHARGE	$0.07889	PER THERM	ENERGY CHARGE	$0.09675	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	10,000	THERMS
AVERAGE USAGE PER CUSTOMER	0	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$40.00	$40.00	$350.00	$350.00	775.00%	775.00%
10,000	$828.90	$4,793.10	$1,317.50	$5,281.70	58.95%	10.19%
20,000	$1,617.80	$9,546.20	$2,285.00	$10,213.40	41.24%	6.99%
30,000	$2,406.70	$14,299.30	$3,252.50	$15,145.10	35.14%	5.91%
40,000	$3,195.60	$19,052.40	$4,220.00	$20,076.80	32.06%	5.38%
50,000	$3,984.50	$23,805.50	$5,187.51	$25,008.51	30.19%	5.05%
60,000	$4,773.40	$28,558.60	$6,155.01	$29,940.21	28.94%	4.84%
70,000	$5,562.30	$33,311.70	$7,122.51	$34,871.91	28.05%	4.68%
80,000	$6,351.20	$38,064.80	$8,090.01	$39,803.61	27.38%	4.57%
90,000	$7,140.10	$42,817.90	$9,057.51	$44,735.31	26.85%	4.48%
100,000	$7,929.00	$47,571.00	$10,025.01	$49,667.01	26.43%	4.41%

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.1

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT INDUSTRIAL INTERRUPTIBLE RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: INDUSTRIAL INTERRUPTIBLE SALES SERVICE
PROPOSED RATE SCHEDULE: GS-8 (GENERAL SALES SERVICE 500,001-1,000,000 ANNUAL THERMS)*

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$350.00		CUSTOMER CHARGE	$350.00	
ENERGY CHARGE	$0.05312	PER THERM	ENERGY CHARGE	$0.09675	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	10,000	THERMS
AVERAGE USAGE PER CUSTOMER	52,917	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$350.00	$350.00	$350.00	$350.00	0.00%	0.00%
10,000	$881.20	$4,845.40	$1,317.50	$5,281.70	49.51%	9.00%
20,000	$1,412.40	$9,340.80	$2,285.00	$10,213.40	61.78%	9.34%
30,000	$1,943.60	$13,836.20	$3,252.50	$15,145.10	67.34%	9.46%
40,000	$2,474.60	$18,331.60	$4,220.00	$20,076.80	70.52%	9.52%
50,000	$3,006.00	$22,827.00	$5,187.51	$25,008.51	72.57%	9.56%
60,000	$3,537.20	$27,322.40	$6,155.01	$29,940.21	74.01%	9.58%
70,000	$4,068.40	$31,817.80	$7,122.51	$34,871.91	75.07%	9.60%
80,000	$4,599.60	$36,313.20	$8,090.01	$39,803.61	75.89%	9.61%
90,000	$5,130.60	$40,808.60	$9,057.51	$44,735.31	76.53%	9.62%
100,000	$5,662.00	$45,304.00	$10,025.01	$49,667.01	77.06%	9.63%

* THE COMPANY PROPOSES TO CONTINUE OFFERING A CONTRACT SALES SERVICE FLEXIBLE RATE FOR CUSTOMERS WITH ALTERNATE FUEL CAPABILITIES, CURRENTLY CLASSED AS INTERRUPTIBLE.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT FIRM TRANSPORTATION RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: FIRM TRANSPORTATION SERVICE
PROPOSED RATE SCHEDULE: TS-8 (TRANSPORTATION SERVICE 500,001-1,000,000 ANNUAL THERMS)*

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$40.00		CUSTOMER CHARGE	$500.00	
ENERGY CHARGE	$0.07889	PER THERM	ENERGY CHARGE	$0.09675	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	10,000	THERMS
AVERAGE USAGE PER CUSTOMER	51,532	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$40.00	N/A	$500.00	N/A	1150.00%	N/A
10,000	$828.90	N/A	$1,467.50	N/A	77.04%	N/A
20,000	$1,617.80	N/A	$2,435.00	N/A	50.51%	N/A
30,000	$2,406.70	N/A	$3,402.50	N/A	41.38%	N/A
40,000	$3,195.60	N/A	$4,370.00	N/A	36.75%	N/A
50,000	$3,984.50	N/A	$5,337.51	N/A	33.96%	N/A
60,000	$4,773.40	N/A	$6,305.01	N/A	32.09%	N/A
70,000	$5,562.30	N/A	$7,272.51	N/A	30.75%	N/A
80,000	$6,351.20	N/A	$8,240.01	N/A	29.74%	N/A
90,000	$7,140.10	N/A	$9,207.51	N/A	28.95%	N/A
100,000	$7,929.00	N/A	$10,175.01	N/A	28.33%	N/A

* AT PRESENT THE COMPANY'S ELIGIBILITY THRESHOLD FOR COMMERCIAL/INDUSTRIAL TRANSPORTATION SERVICE IS 200,000 THERMS PER YEAR.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT INTERRUPTIBLE TRANSPORTATION SERVICE RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: CONTRACT TRANSPORTATION SERVICE
PROPOSED RATE SCHEDULE: TS-8 (TRANSPORTATION SERVICE 500,001-1,000,000 ANNUAL THERMS)*

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$350.00		CUSTOMER CHARGE	$500.00	
ENERGY CHARGE	$0.05312	PER THERM	ENERGY CHARGE	$0.09675	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	10,000	THERMS
AVERAGE USAGE PER CUSTOMER	0	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$350.00	N/A	$500.00	N/A	42.86%	N/A
10,000	$881.20	N/A	$1,467.50	N/A	86.53%	N/A
20,000	$1,412.40	N/A	$2,435.00	N/A	72.40%	N/A
30,000	$1,943.60	N/A	$3,402.50	N/A	75.06%	N/A
40,000	$2,474.80	N/A	$4,370.00	N/A	76.58%	N/A
50,000	$3,006.00	N/A	$5,337.51	N/A	77.56%	N/A
60,000	$3,537.20	N/A	$6,305.01	N/A	78.25%	N/A
70,000	$4,068.40	N/A	$7,272.51	N/A	78.76%	N/A
80,000	$4,599.80	N/A	$8,240.01	N/A	79.15%	N/A
90,000	$5,130.80	N/A	$9,207.51	N/A	79.46%	N/A
100,000	$5,662.00	N/A	$10,175.01	N/A	79.71%	N/A

* AT PRESENT THE COMPANY'S ELIGIBILITY THRESHOLD FOR COMMERCIAL/INDUSTRIAL TRANSPORTATION SERVICE IS 200,000 THERMS PER YEAR.
* THE COMPANY PROPOSES TO CONTINUE OFFERING A CONTRACT TRANSPORTATION SERVICE FLEXIBLE RATE FOR CUSTOMERS WITH ALTERNATE FUEL CAPABILITIES, CURRENTLY CLASSED AS INTERRUPTIBLE.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT INDUSTRIAL SALES SERVICE RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: INDUSTRIAL SALES SERVICE
PROPOSED RATE SCHEDULE: GS-9 (GENERAL SALES SERVICE >1,000,000 ANNUAL THERMS)

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$40.00		CUSTOMER CHARGE	$500.00	
ENERGY CHARGE	$0.07889	PER THERM	ENERGY CHARGE	$0.08287	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	50,000	THERMS
AVERAGE USAGE PER CUSTOMER	0	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$40.00	$40.00	$500.00	$500.00	1150.00%	1150.00%
50,000	$3,984.50	$23,805.50	$4,643.54	$24,464.54	16.54%	2.77%
100,000	$7,929.00	$47,571.00	$8,787.07	$46,429.07	10.82%	1.80%
150,000	$11,873.50	$71,338.50	$12,930.61	$72,393.61	8.90%	1.48%
200,000	$15,818.00	$95,102.00	$17,074.15	$96,356.15	7.94%	1.32%
250,000	$19,762.50	$116,867.50	$21,217.69	$120,322.69	7.36%	1.22%
300,000	$23,707.00	$142,633.00	$25,361.22	$144,287.22	6.98%	1.16%
350,000	$27,651.50	$168,398.50	$29,504.76	$168,251.78	6.70%	1.11%
400,000	$31,596.00	$190,164.00	$33,648.30	$192,216.30	6.50%	1.08%
450,000	$35,540.50	$213,929.50	$37,791.83	$216,180.83	6.33%	1.05%
500,000	$39,485.00	$237,695.00	$41,935.37	$240,145.37	6.21%	1.03%

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.1

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT INDUSTRIAL INTERRUPTIBLE RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: INDUSTRIAL INTERRUPTIBLE SALES SERVICE
PROPOSED RATE SCHEDULE: GS-9 (GENERAL SALES SERVICE > 1,000,000 ANNUAL THERMS)*

PRESENT RATES			PROPOSED RATES		
CUSTOMER CHARGE	$350.00		CUSTOMER CHARGE	$500.00	
ENERGY CHARGE	$0.05312	PER THERM	ENERGY CHARGE	$0.08287	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	50,000	THERMS
AVERAGE USAGE PER CUSTOMER	150,556	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$350.00	$350.00	$500.00	$500.00	42.86%	42.86%
50,000	$3,006.00	$22,827.00	$4,643.50	$24,464.50	54.47%	7.17%
100,000	$5,662.00	$45,304.00	$8,787.00	$48,429.00	55.19%	6.90%
150,000	$8,316.00	$67,781.00	$12,930.50	$72,393.50	55.45%	6.81%
200,000	$10,974.00	$90,258.00	$17,074.00	$96,358.00	55.59%	6.76%
250,000	$13,630.00	$112,735.00	$21,217.50	$120,322.50	55.67%	6.73%
300,000	$16,286.00	$135,212.00	$25,361.00	$144,287.00	55.72%	6.71%
350,000	$18,942.00	$157,689.00	$29,504.50	$168,251.50	55.76%	6.70%
400,000	$21,598.00	$180,166.00	$33,648.00	$192,216.00	55.79%	6.69%
450,000	$24,254.00	$202,643.00	$37,791.50	$216,180.50	55.82%	6.68%
500,000	$26,910.00	$225,120.00	$41,935.00	$240,145.00	55.83%	6.67%

* THE COMPANY PROPOSES TO CONTINUE OFFERING A CONTRACT SALES SERVICE FLEXIBLE RATE FOR CUSTOMERS WITH ALTERNATE FUEL CAPABILITIES, CURRENTLY CLASSED AS INTERRUPTIBLE.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT FIRM TRANSPORTATION RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: FIRM TRANSPORTATION SERVICE
PROPOSED RATE SCHEDULE: TS-9 (TRANSPORTATION SERVICE > 1,000,000 ANNUAL THERMS)*

	PRESENT RATES			PROPOSED RATES	
CUSTOMER CHARGE	$40.00		CUSTOMER CHARGE	$700.00	
ENERGY CHARGE	$0.07889	PER THERM	ENERGY CHARGE	$0.08287	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	145,827	THERMS
AVERAGE USAGE PER CUSTOMER	50,000	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$40.00	N/A	$700.00	N/A	1650.00%	N/A
50,000	$3,964.50	N/A	$4,843.54	N/A	21.56%	N/A
100,000	$7,929.00	N/A*	$8,987.07	N/A	13.34%	N/A
150,000	$11,873.50	N/A	$13,130.61	N/A	10.59%	N/A
200,000	$15,818.00	N/A	$17,274.15	N/A	9.21%	N/A
250,000	$19,762.50	N/A	$21,417.69	N/A	8.38%	N/A
300,000	$23,707.00	N/A	$25,561.22	N/A	7.82%	N/A
350,000	$27,651.50	N/A	$29,704.76	N/A	7.43%	N/A
400,000	$31,596.00	N/A	$33,846.30	N/A	7.13%	N/A
450,000	$35,540.50	N/A	$37,991.83	N/A	6.90%	N/A
500,000	$39,485.00	N/A	$42,135.37	N/A	6.71%	N/A

* AT PRESENT THE COMPANY'S ELIGIBILITY THRESHOLD FOR COMMERCIAL/INDUSTRIAL TRANSPORTATION SERVICE IS 200,000 THERMS PER YEAR.

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT AND PROPOSED RATES FOR THE PRESENT INTERRUPTIBLE RATE CLASS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PRESENT RATE SCHEDULE: CONTRACT TRANSPORTATION SERVICE
PROPOSED RATE SCHEDULE: TS-9 (TRANSPORTATION SERVICE > 1,000,000 ANNUAL THERMS)*

PRESENT RATES			PROPOSED RATES		
CUSTOMER CHARGE	$350.00		CUSTOMER CHARGE	$700.00	
ENERGY CHARGE	$0.05312	PER THERM	ENERGY CHARGE	$0.08287	PER THERM

GAS COST	$0.39642	PER THERM
THERM USAGE INCREMENT	50,000	THERMS
AVERAGE USAGE PER CUSTOMER	145,213	THERMS/MONTH

THERM USAGE	PRESENT MONTHLY BILL W/O FUEL	PRESENT MONTHLY BILL WITH FUEL	PROPOSED MONTHLY BILL W/O FUEL	PROPOSED MONTHLY BILL WITH FUEL	PERCENT INCREASE W/O FUEL	PERCENT INCREASE WITH FUEL
0	$350.00	N/A	$700.00	N/A	100.00%	N/A
50,000	$3,006.00	N/A	$4,643.50	N/A	61.13%	N/A
100,000	$5,662.00	N/A	$8,987.00	N/A	58.72%	N/A
150,000	$8,318.00	N/A	$13,130.50	N/A	57.86%	N/A
200,000	$10,974.00	N/A	$17,274.00	N/A	57.41%	N/A
250,000	$13,630.00	N/A	$21,417.50	N/A	57.13%	N/A
300,000	$16,286.00	N/A	$25,561.00	N/A	56.95%	N/A
350,000	$18,942.00	N/A	$29,704.50	N/A	56.82%	N/A
400,000	$21,598.00	N/A	$33,848.00	N/A	56.72%	N/A
450,000	$24,254.00	N/A	$37,991.50	N/A	56.64%	N/A
500,000	$26,910.00	N/A	$42,135.00	N/A	56.58%	N/A

* AT PRESENT THE COMPANY'S ELIGIBILITY THRESHOLD FOR COMMERCIAL/INDUSTRIAL TRANSPORTATION SERVICE IS 200,000 THERMS PER YEAR.
* THE COMPANY PROPOSES TO CONTINUE OFFERING A CONTRACT TRANSPORTATION SERVICE FLEXIBLE RATE FOR CUSTOMERS WITH ALTERNATE FUEL CAPABILITIES, CURRENTLY CLASSED AS INTERRUPTIBLE.

SCHEDULE E-8 | DERIVATION OF OVERALL COST OF SERVICE | PAGE 1 OF 5

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING DERIVATION OF RATE BASE. (PLANT)

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
PRIOR YEARS: 12/31/96 - 12/31/98
WITNESS: HOUSEHOLDER

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

			HISTORIC BASE YEAR ENDED 12/31/99						
			12/31/95 *	12/31/96 *	12/31/97 *	12/31/98 *	12/31/99 *	COMPANY ADJUSTED **	PROJECTED TEST YEAR ENDED 12/31/01 **
LINE NO.	ACCT. NO.	PLANT							
1	362	LOCAL STORAGE PLANT:	$0	$0	$0	$0	$0	$0	$0
2	301-303	INTANGIBLE PLANT:	$1,040,088	$1,040,088	$1,040,088	$1,040,088	$1,040,088	$1,040,088	$1,040,088
		DISTRIBUTION PLANT:							
3	374	LAND AND LAND RIGHTS	$13,433	$28,464	$36,619	$36,635	$36,020	$36,020	$28,835
4	375	STRUCTURES AND IMPROVEMENTS	$203,213	$203,213	$229,035	$229,035	$232,093	$232,093	$251,056
5	376	MAINS	$11,439,508	$11,882,320	$12,308,109	$13,163,972	$13,594,174	$13,594,174	$17,353,136
6	377	COMPRESSOR STA. EQUIP.	$0	$0	$0	$0	$0	$0	$0
7	378	MEAS.& REG. STA. EQUIP.-GEN.	$372,281	$453,424	$507,047	$541,331	$550,755	$550,755	$686,297
8	379	MEAS.& REG. STA. EQUIP.-CG	$678,555	$718,785	$744,801	$974,704	$1,082,140	$1,082,140	$1,377,657
9	380	SERVICES	$2,240,616	$2,385,848	$2,563,131	$2,780,803	$2,879,199	$2,879,199	$3,820,566
10	381-382	METERS	$1,334,375	$1,435,135	$1,526,528	$1,808,005	$1,651,197	$1,651,197	$2,343,529
11	383-384	HOUSE REGULATORS	$485,786	$564,813	$823,055	$886,684	$702,689	$702,689	$870,213
12	385	INDUSTRIAL MEAS.&REG. EQUIP.	$1,058,340	$1,086,563	$1,214,250	$1,241,617	$1,247,154	$1,247,154	$1,443,927
13	386	PROPERTY ON CUSTOMER PREMISES	$0	$0	$0	$0	$0	$0	$0
14	387	OTHER EQUIPMENT	$182,147	$171,007	$183,412	$212,721	$232,290	$232,290	$328,073
15		TOTAL DISTR. PLANT	$18,004,255	$18,729,351	$19,933,866	$21,475,508	$23,247,779	$23,247,779	$29,543,156
16		GENERAL PLANT:	$1,573,933	$1,739,188	$1,799,235	$1,967,514	$2,041,838	$1,930,810	$2,305,299
17		PROPERTY HELD FOR FUTURE USE:	$0	$0	$0	$0	$0	$0	$0
18		PLANT ACQUISTIONS:	$787,421	$787,421	$787,421	$787,421	$775,529	($0)	$0
19		CWIP:	$127,876	$495,552	$62,883	$138,903	$927,893	$927,893	$0
20		PRODUCTION PLANT:	$0	$0	$0	$0	$0	$0	$0
21		GAS PLANT PURCHASED OR SOLD	$0	$0	$0	$0	$0	$0	$0
22		TOTAL PLANT	$21,533,553	$22,791,580	$23,623,593	$25,409,414	$26,992,839	$26,108,282	$31,848,455

* Based on Year-ended Balances.
** Based on 13 Month Average.

SUPPORTING SCHEDULES: B-2, B-3, B-4, G-1 p.1, G-1, p.4, G-1, p.10

RECAP SCHEDULES: H-3 p.1

SCHEDULE E-6 | DERIVATION OF OVERALL COST OF SERVICE | PAGE 2 OF 5

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING DERIVATION OF RATE BASE. (ACCUMULATED DEPRECIATION)

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
PRIOR YEARS: 12/31/95 - 12/31/98
WITNESS: HOUSEHOLDER

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	ACCT. NO.	ACCUMULATED DEPRECIATION	HISTORIC BASE YEAR ENDED 12/31/99						PROJECTED TEST YEAR ENDED 12/31/01 **
			12/31/95 *	12/31/96 *	12/31/97 *	12/31/98 *	12/31/99 *	COMPANY ADJUSTED **	
1	382	LOCAL STORAGE PLANT:	($84,181)	($395,656)	($435,209)	($501,867)	($504,191)	($504,191)	($522,578)
2	301-303	INTANGIBLE PLANT:	($25,834)	($127,219)	($226,604)	($329,989)	($380,682)	($380,682)	($583,452)
		DISTRIBUTION PLANT:							
3	374	LAND AND LAND RIGHTS	$0	$0	$0	$0	$0	$0	$0
4	375	STRUCTURES AND IMPROVEMENTS	($5,595)	($24,284)	($30,864)	($37,735)	($41,211)	($41,211)	($55,545)
5	376	MAINS	($3,143,604)	($3,521,120)	($3,867,905)	($4,264,653)	($4,474,429)	($4,474,429)	($5,489,349)
6	377	COMPRESSOR STA. EQUIP.	$0	$0	$0	$0	$0	$0	$0
7	378	MEAS.& REG. STA. EQUIP.-GEN.	($44,035)	($47,464)	($57,342)	($75,922)	($82,129)	($82,129)	($123,459)
8	379	MEAS.& REG. STA. EQUIP.-CG	($115,021)	($113,514)	($141,345)	($170,843)	($189,302)	($189,302)	($276,494)
9	380	SERVICES	($409,783)	($404,102)	($456,391)	($841,478)	($893,852)	($893,852)	($1,030,830)
10	381-382	METERS	($378,305)	($417,315)	($463,316)	($520,088)	($543,382)	($543,382)	($696,765)
11	383-384	HOUSE REGULATORS	($119,725)	($135,513)	($155,140)	($178,003)	($190,078)	($190,078)	($245,938)
12	385	INDUSTRIAL MEAS.&REG. EQUIP.	($153,297)	($173,320)	($203,465)	($196,001)	($220,877)	($220,877)	($327,375)
13	386	PROPERTY ON CUSTOMER PREMISES	$0	$0	$0	$0	$0	$0	$0
14	387	OTHER EQUIPMENT	($42,813)	($34,091)	($39,281)	($72,155)	($90,848)	($90,848)	($190,140)
15		TOTAL DISTR. PLANT	($4,412,958)	($4,870,723)	($5,415,046)	($6,156,879)	($6,526,108)	($6,526,108)	($8,435,695)
16		GENERAL PLANT:	($525,346)	($669,536)	($766,728)	($728,934)	($766,091)	($716,555)	($1,070,457)
17		RWIP:	$1,596	$184	$73	$0	$0	$0	$0
18		AMORT. ACQ. ADJUSTMENT	($516,835)	($571,696)	($826,756)	($661,618)	($890,020)	$0	$0
19		AMORT. OTHER UTILITY PLANT	$0	$0	$0	$0	$0	$0	$0
20		PRODUCTION PLANT	$0	$0	$0	$0	$0	$0	$0
21		CUST. ADV. FOR CONSTRUCTION	$0	$0	$0	$0	($198,399)	($198,399)	($267,828)
22		TOTAL ACCUMULATED DEPRECIATION	($5,543,359)	($6,634,849)	($7,472,272)	($8,399,467)	($9,065,491)	($8,323,935)	($10,880,010)
23		NET PLANT (Plant less Accum. Dep.)	$15,990,194	$16,156,931	$16,151,321	$17,009,927	$17,927,348	$17,782,347	$20,988,445
24		Plus: WORKING CAPITAL	($6,990,067)	($6,295,526)	($5,656,447)	($5,793,472)	($6,591,010)	$498,227	$353,258
25		Equals: TOTAL RATE BASE	$9,000,127	$9,861,405	$10,494,874	$11,216,455	$11,336,338	$18,280,574	$21,321,701

* Based on Year-ended Balances.
** Based on 13 Month Average.

SUPPORTING SCHEDULES: B-2, B-3, B-9, B-10, B-13, G-1 p.1, G-1 p.2, G-1 p.3, G-1 p.4, G-1 p.12, G-1 p.13

RECAP SCHEDULES: H-3 p.4

5/10/00
10:59 AM

SCHEDULE E-6 | DERIVATION OF OVERALL COST OF SERVICE | PAGE 3 OF 5

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING DERIVATION OF EXPENSES. (OPERATION AND MAINTENANCE)

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
PRIOR YEARS: 12/31/98 - 12/31/98
WITNESS: HOUSEHOLDER

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	ACCT. NO.	OPERATION AND MAINTENANCE	12/31/95 *	12/31/96 *	12/31/97 *	12/31/98 *	HISTORIC BASE YEAR ENDED 12/31/99 12/31/99 *	COMPANY ADJUSTED **	PROJECTED TEST YEAR ENDED 12/31/01 **
1	740-848	LOCAL STORAGE PLANT:	$0	$0	$0	$0	$0	$0	$0
		DISTRIBUTION PLANT:							
2	870	SUPERVISION & ENGINEERING	$237,944	$297,807	$237,045	$172,517	$150,517	$150,517	$164,351
3	871	DISTRIBUTION LOAD DISPATCHING	$85,501	$87,553	$86,148	$91,880	$85,898	$85,898	$138,493
4	872	COMPRESSOR STATION	$0	$0	$0	$0	$0	$0	$0
5	873	COMPRESSOR STA. FUEL	$0	$0	$0	$0	$0	$0	$0
6	874	MAINS & SERVICES	$165,170	$183,763	$182,920	$188,848	$198,106	$198,106	$219,299
7	875	MEAS.& REG. - GENERAL	$0	$0	$0	$0	$0	$0	$0
8	876	MEAS.& REG. - INDUSTRIAL	$0	$0	$0	$0	$0	$0	$0
9	877	MEAS.& REG - CITY GATE	$9,726	$26,673	$13,236	$29,898	$22,363	$22,363	$8,462
10	878	METER & HOUS REG. EXPENSE	$204,300	$208,338	$227,885	$256,586	$294,719	$294,719	$324,879
11	879	CUSTOMER INSTALLATIONS	$83,550	$97,377	$204,573	$243,425	$372,266	$11,132	$12,564
12	880	OTHER EXPENSE	$51,550	$57,807	$64,069	$74,199	$78,262	$78,262	$84,118
13	881	RENTS	$16,417	$9,430	$12,435	$12,132	$30,448	$30,448	$31,990
14	885	SUPERVISION & ENGINEERING	$0	$0	$0	$0	$0	$0	$0
15	886	STRUCTURES & IMPROVEMENTS	$0	$0	$0	$0	$0	$0	$0
16	887	MAINS	$103,093	$135,880	$106,672	$118,149	$98,330	$97,856	$108,798
17	888	COMPRESSOR STA. EQUIPMENT	$0	$0	$0	$0	$0	$0	$0
18	889	MEAS.& REG. - GENERAL	$13,395	$16,202	$16,587	$15,154	$12,217	$12,217	$13,755
19	890	MEAS.& REG. - INDUSTRIAL	$81,206	$63,083	$72,362	$64,566	$56,213	$56,213	$45,218
20	891	MEAS.& REG. - GATE STATION	$24,978	$17,957	$22,308	$12,516	$20,388	$20,388	$22,720
21	892	SERVICES	$52,430	$31,030	$35,042	$29,824	$32,484	$32,484	$36,274
22	893	METERS & HOUSE REGULATORS	$51,277	$59,312	$66,389	$29,054	$69,264	$69,264	$79,834
23	894	OTHER EQUIPMENT	$24,307	$17,950	$17,131	$15,628	$18,296	$18,296	$20,752
24		TOTAL DISTRIBUTION EXPENSES	$1,206,843	$1,287,982	$1,347,043	$1,332,371	$1,539,771	$1,178,183	$1,311,505

* Based on Year-ended Balances.
** Based on 13 Month Average.

SUPPORTING SCHEDULES: C-5 p.1, G-2, p.10, G-2 p.11, G-2 p.12, G-2 p.13

RECAP SCHEDULES: H-3 p.2

5/10/00
10:59 AM

SCHEDULE E-6 | DERIVATION OF OVERALL COST OF SERVICE | PAGE 4 OF 5

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING DERIVATION OF EXPENSES. (OPERATION AND MAINTENANCE)

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
PRIOR YEARS: 12/31/95 - 12/31/98
WITNESS: HOUSEHOLDER

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	ACCT. NO.		HISTORIC BASE YEAR ENDED 12/31/99						PROJECTED TEST YEAR ENDED 12/31/01 **
			12/31/95 *	12/31/96 *	12/31/97 *	12/31/98 *	12/31/99 *	COMPANY ADJUSTED **	
		OPERATION AND MAINTENANCE							
		CUSTOMER ACCOUNTS							
1	901	SUPERVISION	$99,258	$82,974	$71,554	$78,228	$85,227	$85,227	$92,933
2	902	METER READING EXPENSE	$53,429	$77,163	$72,577	$71,297	$90,591	$90,591	$103,723
3	903	CUST. RECORDS & COLLECTIONS	$342,295	$305,788	$345,574	$338,643	$344,215	$344,215	$428,899
4	904	UNCOLLECTIBLE ACCOUNTS	$27,258	$31,529	$56,010	$31,832	$25,250	$25,250	$29,247
5	905	MISCELLANEOUS	$0	$0	$0	$0	$0	$0	$0
6		TOTAL CUSTOMER ACCOUNTS	$522,236	$497,434	$545,715	$520,000	$545,282	$545,282	$654,802
7	907-910	CUSTOMER SERV.& INFO. EXP.	$7,554	$12,952	$9,994	$13,180	$27,877	$0	$5,000
8	911-916	SALES EXPENSE	$245,878	$211,648	$237,770	$290,235	$358,488	$348,547	$437,747
9	932	MAINT. OF GEN. PLANT	$31,941	$24,917	$20,187	$20,912	$22,104	$22,104	$25,550
10	920-931	ADMINISTRATION AND GENERAL	$1,483,374	$1,525,345	$1,578,034	$1,316,071	$1,820,492	$1,741,330	$2,162,971
11		TOTAL OPER. & MAINT. EXPENSE	$3,497,826	$3,560,257	$3,738,743	$3,492,746	$4,314,015	$3,835,427	$4,617,575

* Based on Year-ended Balances.
** Based on 13 Month Average.

SUPPORTING SCHEDULES: C-5 p.2, G-2 p.14, G-2 p.15, G-2 p.16, G-2 p.17, G-2 p.18

RECAP SCHEDULES: H-3 p.2

SCHEDULE E-6 | DERIVATION OF OVERALL COST OF SERVICE | PAGE 5 OF 5

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING DERIVATION OF EXPENSES AND COST OF SERVICE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
PROJECTED TEST YEAR: 12/31/01
PRIOR YEARS: 12/31/95 - 12/31/98
WITNESS: HOUSEHOLDER

LINE NO.	EXPENSES AND COST OF SERVICE	HISTORIC BASE YEAR ENDED 12/31/99						PROJECTED TEST YEAR ENDED 12/31/01 **
		12/31/95 *	12/31/96 *	12/31/97 *	12/31/98 *	12/31/99 *	COMPANY ADJUSTED **	
1	DEPRECIATION EXPENSE	$692,508	$719,860	$759,222	$855,761	$932,192	$898,231	$1,201,074
2	AMORT. OF OTHER GAS PLANT	$121,682	$118,441	$72,237	$72,237	$72,237	$72,237	$71,812
3	AMORT. OF CIS	$4,176	$100,262	$100,262	$100,262	$100,262	$100,262	$100,262
4	AMORT. OF ACQUISITION ADJ.	$39,988	$33,961	$33,961	$33,961	$33,961	$29,207	$0
5	AMORT. OF LEASE IMPROVEMENTS	$0	$0	$0	$0	$0	$0	$0
6	TOTAL DEPREC.& AMORT. EXPENSE	$858,353	$972,525	$965,682	$1,062,221	$1,138,652	$1,099,937	$1,373,148
	TAXES OTHER THAN INCOME							
7	REVENUE RELATED	$507,342	$798,606	$792,883	$668,208	$662,314	$662,314	$695,429
8	OTHER	$461,121	$503,661	$506,753	$526,225	$495,301	$494,789	$459,789
9	TOTAL TAXES OTHER THAN INCOME	$968,464	$1,302,269	$1,299,636	$1,194,433	$1,157,615	$1,157,103	$1,155,218
10	RETURN (REQUIRED N.O.I.)	$1,361,439	$1,350,314	$1,161,561	$1,240,603	$1,157,828	$1,041,661	$1,695,499
11	INCOME TAXES	$536,647	$572,130	$422,966	$484,345	$375,598	$271,571	$476,198
12	TOTAL COST TO SERVE	$7,244,729	$7,757,516	$7,608,586	$7,474,350	$8,143,708	$7,406,699	$9,517,838

* Based on Year-ended Balances.
** Based on 13 Month Average.

SUPPORTING SCHEDULES: C-17, C-18, C-19, C-20, D-1 p.1, G-2 p 23,

RECAP SCHEDULES: H-3 p 3

5/10/00
10:59 AM

SCHEDULE E-7 | COST STUDY - METER SET | PAGE 1 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF THE AVERAGE COST OF METER SET AND SERVICE BY RATE CLASS

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

RATE CLASSES

Line No.	DESCRIPTION	GS - 1 0 - 300 Therms Annually	TS - 1 0 - 300 Therms Annually	GS - 2 301 - 3000 Therms Annually	TS - 2 301 - 3000 Therms Annually	GS - 3 3001 - 10,000 Therms Annually	TS - 3 3001 - 10,000 Therms Annually	GS - 4 10,001 - 25,000 Therms Annually	TS - 4 10,001 - 25,000 Therms Annually
1	SERVICE LINE:								
	PIPE AND PIPING	$ 300.00	$ 300.00	$ 400.00	$ 400.00	$ 637.50	$ 637.50	$ 900.00	$ 900.00
2	METER:								
	METER COST	$ 40.00	$ 40.00	$ 105.00	$ 105.00	$ 105.00	$ 105.00	$ 825.71	$ 825.71
	METER & REGULATOR SET	$ 150.00	$ 150.00	$ 150.00	$ 150.00	$ 200.00	$ 200.00	$ 1,018.75	$ 1,018.75
3	REGULATOR:								
	REGULATOR COST	$ 23.00	$ 23.00	$ 23.00	$ 23.00	$ 29.00	$ 29.00	$ 482.00	$ 482.00
4	TOTAL	$ 513.00	$ 513.00	$ 678.00	$ 678.00	$ 971.50	$ 971.50	$ 3,226.46	$ 3,226.46
5	INDEX (1)	1.00	1.00	1.32	1.32	1.89	1.89	6.29	6.29

(1) TOTAL AVERAGE COST BY CLASS COMPARED TO THE GS -1 CLASS

SUPPORTING SCHEDULES: WORKPAPERS

RECAP SCHEDULES: H-2 p.

SCHEDULE E-7 | COST STUDY - METER SET | PAGE 2 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF THE AVERAGE COST OF METER SET AND SERVICE BY RATE CLASS

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

RATE CLASSES

Line No.	DESCRIPTION	GS - 5 25,001 - 50,000 Therms Annually	TS - 5 25,001 - 50,000 Therms Annually	GS - 6 50,001 - 100,000 Therms Annually	TS - 6 50,001 - 100,000 Therms Annually	GS - 7 100,001 - 500,000 Therms Annually	TS - 7 100,001 - 500,000 Therms Annually	GS - 8 500,001 - 1,000,000 Therms Annually	TS - 8 500,001 - 1,000,000 Therms Annually
1	SERVICE LINE:								
	PIPE AND PIPING	$ 1,100.00	$ 1,100.00	$ 1,100.00	$ 1,100.00	$ 4,825.00	$ 4,825.00	$ 4,825.00	$ 4,825.00
2	METER:								
	METER COST	$ 1,702.50	$ 1,702.50	$ 2,633.00	$ 2,633.00	$ 2,619.00	$ 2,619.00	$ 2,779.00	$ 2,779.00
	METER & REGULATOR SET	$ 3,877.00	$ 3,877.00	$ 9,963.00	$ 9,963.00	$ 16,741.00	$ 16,741.00	$ 18,776.00	$ 18,776.00
3	REGULATOR:								
	REGULATOR COST	$ 632.00	$ 632.00	$ 2,016.00	$ 2,016.00	$ 3,211.00	$ 3,211.00	$ 7,261.00	$ 7,261.00
4	TOTAL	$ 7,311.50	$ 7,311.50	$ 15,712.00	$ 15,712.00	$ 27,396.00	$ 27,396.00	$ 33,841.00	$ 33,841.00
5	INDEX (1)	14.25	14.25	30.63	30.63	53.40	53.40	65.58	65.58

(1) TOTAL AVERAGE COST BY CLASS COMPARED TO THE GS -1 CLASS

SCHEDULE E-7 | COST STUDY - METER SET | PAGE 3 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF THE AVERAGE COST OF METER SET AND SERVICE BY RATE CLASS

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

Line No.	DESCRIPTION	RATE CLASSES GS - 9 Over 1,000,000 Therms Annually	TS - 9 Over 1,000,000 Therms Annually	Special Contract
1	SERVICE LINE:			
	PIPE AND PIPING	$ 13,500.00	$ 13,500.00	
2	METER:			
	METER COST	$ 14,994.00	$ 14,994.00	
	METER & REGULATOR SET	$ 23,470.00	$ 23,470.00	$ 530,720.00
3	REGULATOR:			
	REGULATOR COST	$ 15,769.00	$ 15,769.00	
4	TOTAL	$ 67,733.00	$ 67,733.00	$ 530,720.00
5	INDEX (1)	132.03	132.03	1,034.54

(1) TOTAL AVERAGE COST BY CLASS COMPARED TO THE GS -1 CLASS

SUPPORTING SCHEDULES: WORKPAPERS

RECAP SCHEDULES: H-2 p

SCHEDULE E-8 | COST STUDY - DERIVATION OF FACILITIES | PAGE 1 OF 1

FLORIDA PUPLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: TO PROVIDE A SCHEDULE SHOWING THE DERIVATION OF DEDICATED FACILITIES.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: HOUSEHOLDER

Line No.	DESCRIPTION:	NAME OF RATE CLASS IN WHICH DEDICATED FACILITIES EXIST
1	SYSTEM MILES OF MAIN:	The Company has no rate class in which dedicated facilities exist other than Special Contract customers. Facility costs dedicated or specifically allocated to Special Contract customers are included in the Company's Cost of Service analysis as filed in MFR Schedule H.
2	MILES OF MAIN DEDICATED TO CLASS:	
3	NET COST OF MAIN DEDICATED TO CLASS:	
4	OTHER NET DISTRIBUTION PLANT RELATED TO CLASS:	
5	DISTRIBUTION O & M EXPENSES RELATED TO CLASS:	
6	PERCENTAGE OF MILES OF DEDICATED MAIN TO SYSTEM MILES OF MAIN:	

SUPPORTING SCHEDULES: WORKPAPERS

RECAP SCHEDULES: H-2 p.5

SCHEDULE E-9 | COST STUDY - TARIFF SHEETS | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE COPIES OF PROPOSED TARIFF SHEETS IN LEGISLATIVE FORMAT.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: GEOFFROY

See attached tariff sheets in proposed original format.

SUPPORTING SCHEDULES:

RECAP SCHEDULES:



FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO. 000108-GU
MINIMUM FILING REQUIREMENTS
INDEX

INTERIM RATE RELIEF SCHEDULES

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SCHEDULE F-1 | CALCULATION OF INTERIM RATE RELIEF - RATE OF RETURN | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE RATE BASE FOR INTERIM RATE RELIEF.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	UTILITY PLANT	AVERAGE PER BOOKS	ADJUSTMENT	ADJUSTED AVERAGE
1	PLANT IN SERVICE	$25,394,961	(23,702)	25,371,259
2	COMMON PLANT ALLOCATED	$0	0	0
3	ACQUISITION ADJUSTMENT	$670,185	(546,776)	123,409
4	PROPERTY HELD FOR FUTURE USE	$0	0	0
5	CONSTRUCTION WORK IN PROGRESS	$927,693	0	927,693
6	TOTAL PLANT	$26,992,839	(570,478)	26,422,361
	DEDUCTIONS			
7	ACCUM. DEPR. - UTILITY PLANT	($8,258,828)	12,485	(8,246,343)
8	ACCUM. AMORT.-ORG.	($20,446)	0	(20,446)
9	ACCUM. AMORT.-PCNG	($123,009)	0	(123,009)
10	ACCUM. AMORT.-OLD APP. ACQ. ADJ.	($5,543)	0	(5,543)
11	ACCUM. AMORT.-UNAPP. ACQ ADJ.	($461,266)	461,266	0
12	TOTAL DEDUCTIONS	($8,869,092)	473,751	(8,395,341)
13	PLANT NET	$18,123,747	(96,727)	18,027,020
	ALLOWANCE FOR WORKING CAPITAL			
14	BALANCE SHEET METHOD	($6,591,010)	7,078,688	487,678
15	TOTAL RATE BASE	$11,532,737	6,981,961	18,514,698
16	NET OPERATING INCOME	$1,157,828	(197,378)	960,450
17	RATE OF RETURN	10.04%		5.19%

SUPPORTING SCHEDULES: F-2, F-3, F-4

RECAP SCHEDULES:

SCHEDULE F-2 | CALCULATION OF INTERIM RATE RELIEF - WORKING CAPITAL | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE WORKING CAPITAL ALLOWANCE FOR INTERIM RATE RELIEF.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

WITNESS: WILLIAMS

DOCKET NO.: 000108-GU

LINE NO.	DESCRIPTION	AVERAGE PER BOOKS	COMPANY ADJUSTMENTS: NON-UTILITY	COMPANY ADJUSTMENTS: CAPITAL STRUCTURE	COMPANY ADJUSTMENTS: OTHER	AVERAGE ADJUSTED
	ASSETS					
1	CASH	$197,649	$0	$0	$0	$197,649
2	PETTY CASH	$648	$0	$0	$0	$848
3	WORKING FUNDS	$0	$0	$0	$0	$0
4	TEMP. CASH INVESTMENTS	$0	$0	$0	$0	$0
5	ACCTS REC - AREA EXP. PROGRAM	$470,142	$0	$0	($470,142)	$0
6	CUST ACCTS REC-GAS	$1,500,809	$0	$0	$0	$1,500,809
7	ACCTS REC -SERVICE	$148,470	($93,388)	$0	$0	$55,082
8	ACCUM PROV UNCOLLECT ACCTS-GAS	($31,801)	$0	$0	$0	($31,801)
9	ACCUM PROV UNCOLLECT ACCTS-OTHER	$0	$0	$0	$0	$0
10	RECEIVABLE ASSOC COMPANIES	($5,052,965)	$0	$5,052,965	$0	$0
11	UNBILLED REVENUE	$157,444	$0	$0	$0	$157,444
12	PLANT & OPER MAT & SUPPLIES	$363,160	$0	$0	$0	$363,160
13	MERCHANDISE	$0	$0	$0	$0	$0
14	STORES EXPENSE	$0	$0	$0	$0	$0
15	PREPAYMENTS	$88,757	$0	$0	$0	$88,757
16	INVESTMENT IN SUBSIDIARY	$0	$0	$0	$0	$0
17	SINKING FUNDS	$0	$0	$0	$0	$0
18	OTHER INVESTMENTS	$0	$0	$0	$0	$0
19	MISC CURRENT ASSETS	$0	$0	$0	$0	$0
20	TOTAL CURRENT ASSETS	($2,157,487)	($93,388)	$5,052,965	($470,142)	$2,331,948
	DEFERRED DEBITS					
21	UNAMORT DD&E	$0	$0	$0	$0	$0
22	CONSERVATION	$83,886	$0	$0	($83,886)	$0
23	CLEARING ACCTS	($7,429)	$0	$0	$0	($7,429)
24	MISC. DEFERRED DEBITS	$120,404	$0	$0	($120,404)	$0
25	UNAMORT RATE CASE	$0	$0	$0	$0	$0
26	UNRECOVERED GAS COST	($10,549)	$0	$0	$0	($10,549)
27	ACCTS. RECEIVABLE - UNBILLED REVENUE	$0	$0	$0	$0	$0
28	TOTAL DEFERRED DEBITS	$186,312	$0	$0	($204,290)	($17,978)
29	TOTAL CURRENT AND DEFERRED DEBITS	($1,971,175)	($93,388)	$5,052,965	($674,432)	$2,313,970

SUPPORTING SCHEDULES:

RECAP SCHEDULES: F-1, F-3

SCHEDULE F-2 | CALCULATION OF INTERIM RATE RELIEF - WORKING CAPITAL | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE WORKING CAPITAL ALLOWANCE FOR INTERIM RATE RELIEF.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	DESCRIPTION	AVERAGE PER BOOKS	COMPANY ADJUSTMENTS NON-UTILITY	CAPITAL STRUCTURE	OTHER	AVERAGE ADJUSTED
	LIABILITIES					
1	NOTES PAYABLE	$0	$0	$0	$0	$0
2	ACCOUNTS PAYABLE	$840,214	$0	$0	$0	$840,214
3	CUSTOMER DEPOSITS - REFUNDS	$1,231	$0	($1,231)	$0	$0
4	CUSTOMER DEPOSITS	$627,767	$0	($627,767)	$0	$0
5	TAXES ACCRUED-GENERAL	$229,355	$0	$0	$0	$229,355
6	TAXES ACCRUED-INCOME	$52,429	$0	$0	$0	$52,429
7	INTEREST ACCRUED	$16,758	$0	$0	$99,611	$116,369
8	DIVIDENDS DECLARED	$0	$0	$0	$0	$0
9	TAX COLLECTIONS PAYABLE	$81,039	$0	$0	$0	$81,039
10	INACTIVE DEPOSITS	$0	$0	$0	$0	$0
11	CONSERVATION COST TRUE-UP	$0	$0	$0	$0	$0
12	MISC CURRENT LIABILITIES	$608,808	$0	($46,880)	($478,598)	$83,330
13						
14	TOTAL CURRENT LIABILITIES	$2,457,601	$0	($675,878)	($378,987)	$1,402,736
	DEFERRED CREDITS & OPERATING RESERVES					
15	ACCUMULATED DEFERRED INC.TAX	$1,370,750	$0	($1,370,750)	$0	$0
16	DEFERRED INVESTMENT TAX CREDIT	$346,024	$0	($346,024)	$0	$0
18	HEALTH INSURANCE RESERVE	$0	$0	$0	$44,290	$44,290
17	SELF INSURANCE RESERVE	$0	$0	$0	$130,205	$130,205
18	CUSTOMER ADVANCES FOR CONSTRUCTION	$196,399	$0	$0	($196,399)	$0
19	PENSIONS & BENEFITS RESERVE	$249,061	$0	$0	$0	$249,061
20	TOTAL DEFERRED LIABILITIES	$2,182,234	$0	($1,716,774)	($21,904)	$423,556
21	TOTAL LIABILITIES	$4,819,835	$0	($2,392,652)	($400,891)	$1,826,292
22	WORKING CAPITAL ALLOWANCE	($6,591,010)	($93,388)	$7,445,617	($273,541)	$487,678

SUPPORTING SCHEDULES:

RECAP SCHEDULES: F-1, F-3

SCHEDULE F-3 | CALCULATION OF INTERIM RATE RELIEF - ADJUSTMENTS TO RATE BASE | PAGE 1 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: LIST AND EXPLAIN ALL PROPOSED ADJUSTMENTS TO THE 13-MONTH AVERAGE RATE BASE FOR INTERIM RATE RELIEF. CALCULATE THE REVENUE IMPACT OF EACH ADJUSTMENT, ASSUMING THE REQUESTED RATE OF RETURN AND EXPANSION FACTOR REMAIN CONSTANT.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

ADJ. NO.	ADJUSTMENT TITLE	ADJUSTMENT AMOUNT	NON-UTILITY AMOUNT	REGULATED AMOUNT	INCREASE (DECREASE) IN REVENUE REQUIREMENT	REASON FOR ADJUSTMENT
	UTILITY PLANT					
1	ACQUISITION ADJUSTMENT	($546,776)	$0	($546,776)	($72,132)	To remove unapproved acquisition adjustment - Per last rate case.
2	2ND STORY OFFICE BLDG	($23,702)	$0	($23,702)	($3,127)	To remove cost of 2nd Story of Office - Per last rate case.
3	TOTAL	($570,478)	$0	($570,478)	($75,259)	
	ACCUM. DEPR. - UTILITY PLANT					
4	ACQUISITION ADJUSTMENT	$461,266	$0	$461,266	$60,851	To remove unapproved acquisition adjustment - Per last rate case.
5	2ND STORY OFFICE BLDG.	$7,407	$0	$7,407	$977	To remove cost of 2nd Story of Office - Per last rate case.
6	FRANCHISE & CONSENT	$5,076	$0	$5,078	$670	To remove per last rate case.
7	TOTAL	$473,751	$0	$473,751	$62,498	
8	ADJUSTED NET PLANT	($96,727)	$0	($96,727)	($137,757)	

SUPPORTING SCHEDULES:

RECAP SCHEDULES: F-1

SCHEDULE F-3 | CALCULATION OF INTERIM RATE RELIEF - ADJUSTMENTS TO RATE BASE | PAGE 2 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: LIST AND EXPLAIN ALL PROPOSED ADJUSTMENTS TO THE 13-MONTH AVERAGE RATE BASE FOR INTERIM RATE RELIEF. CALCULATE THE REVENUE IMPACT OF EACH ADJUSTMENT, ASSUMING THE REQUESTED RATE OF RETURN AND EXPANSION FACTOR REMAIN CONSTANT.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

ADJ. NO.	ADJUSTMENT TITLE	ADJUSTMENT AMOUNT	NON-UTILITY AMOUNT	REGULATED AMOUNT	INCREASE (DECREASE) IN REVENUE REQUIREMENT	REASON FOR ADJUSTMENT
	WORKING CAPTIAL					
	ASSETS					
1	RECEIVABLE ASSOCIATED COMPANIES	$5,052,965	$0	$5,052,965	$666,598	To eliminate Accounts Receivable Associated Company
2	ACCOUNTS RECEIVABLE SERVICE	($93,388)	($93,388)	$0	($12,320)	To eliminate % disallowed
3	ACCOUNTS RECEIVABLE - MISC. AREA EXPANSION PROGRAM	($470,142)	$0	($470,142)	($62,022)	To eliminate AEP from working capital
4	MISC. DEFERRED DEBITS	($120,404)	$0	($120,404)	($15,884)	To remove Misc. Deferred Debit from Working Capital
5	CONSERVATION	($83,886)	$0	($83,886)	($11,066)	To eliminate unrecovered conservation expenses
8		$0	$0	$0	$0	
7		$0	$0	$0	$0	
8		$0	$0	$0	$0	
9		$0	$0	$0	$0	
10		$0	$0	$0	$0	
11	TOTAL ADJUSTMENT TO ASSETS	$4,285,145	($93,388)	$4,378,533	$565,306	

SUPPORTING SCHEDULES:

RECAP SCHEDULES: F-1

SCHEDULE F-3 | CALCULATION OF INTERIM RATE RELIEF - ADJUSTMENTS TO RATE BASE | PAGE 3 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: LIST AND EXPLAIN ALL PROPOSED ADJUSTMENTS TO THE 13-MONTH AVERAGE RATE BASE FOR INTERIM RATE RELIEF. CALCULATE THE REVENUE IMPACT OF EACH ADJUSTMENT, ASSUMING THE REQUESTED RATE OF RETURN AND EXPANSION FACTOR REMAIN CONSTANT.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

ADJ. NO.	ADJUSTMENT TITLE	ADJUSTMENT AMOUNT	NON-UTILITY AMOUNT	REGULATED AMOUNT	INCREASE (DECREASE) IN REVENUE REQUIREMENT	REASON FOR ADJUSTMENT
	WORKING CAPTIAL					
	LIABILITIES					
1	CUSTOMER DEPOSITS - REFUNDS	($1,231)	$0	($1,231)	($162)	To eliminate Customer Deposits
2	CUSTOMER DEPOSITS	($627,767)	$0	($627,767)	($82,816)	To eliminate Customer Deposits
3	INTEREST ACCRUED	$99,611	$0	$99,611	$13,141	To adjust Accrued Interest from Parent
4	INACTIVE DEPOSITS	($525,478)	$0	($525,478)	($69,322)	To eliminate Customer Deposits
5	CUSTOMER ADVANCES FOR CONSTRUCT	($196,399)	$0	($196,399)	($25,909)	To eliminate Aid To Construction
6	ACCUMULATED DEFERRED INCOME TAXE	($1,370,750)	$0	($1,370,750)	($180,832)	To eliminate Accumulated Deferred Taxes
7	DEFERRED INVESTMENT TAX CREDITS	($346,024)	$0	($346,024)	($45,648)	To eliminate Deferred IT Credit
8	HEALTH INSURANCE RESERVE	$44,290	$0	$44,290	$5,843	To adjust Health Insurance Reserve
9	SELF INSURANCE RESERVE	$130,205	$0	$130,205	$17,177	To adjust Self Insurance Reserve
10		$0	$0	$0	$0	
11	TOTAL ADJS. TO LIABILITIES	($2,793,543)	$0	($2,793,543)	($368,530)	
12	TOTAL WORKING CAPITAL ADJUSTMENTS	$7,078,688	($93,368)	$7,172,076	$933,836	

SUPPORTING SCHEDULES:

RECAP SCHEDULES: F-1

SCHEDULE F-4 | CALCULATION OF INTERIM RATE RELIEF - NET OPERATING INCOME | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF NET OPERATING INCOME PER BOOKS FOR THE HISTORIC BASE YEAR AND ANY ADJUSTMENTS MADE TO THE HISTORIC BASE YEAR FOR INTERIM PURPOSES.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

NET OPERATING INCOME - HISTORIC BASE YEAR ENDED 12/31/99

LINE NO.	DESCRIPTION	(1) TOTAL COMPANY PER BOOKS	(2) ADJUSTMENTS	(3) COMPANY ADJUSTED	(4) REVENUE ADJUSTMENT	(5) N.O.I. REQUIREMENT
	OPERATING REVENUE:					
1	OPERATING REVENUES	$17,293,932	($738,010)	$16,555,922	$0	$16,555,922
	OPERATING EXPENSES:					
2	O & M GAS EXPENSE	$9,150,224	$0	$9,150,224	$0	$9,150,224
3	OPERATION & MAINTENANCE	$4,314,014	($396,264)	$3,917,750	$0	$3,917,750
4	DEPRECIATION	$1,138,653	($34,978)	$1,103,675	$0	$1,103,675
5	AMORTIZATIONS	$0	$0	$0	$0	$0
	TAXES OTHER THAN INCOME TAXES					
6	REVENUE RELATED	$1,157,615	($512)	$1,157,103	$0	$1,157,103
7	OTHER	$0	$0	$0	$0	$0
	INCOME TAXES					
8	-FEDERAL	$375,598	($108,878)	$266,720	$0	$266,720
9	-STATE	$0	$0	$0	$0	$0
	DEFERRED INCOME TAXES - NET:					
10	-FEDERAL	$0	$0	$0	$0	$0
11	-STATE	$0	$0	$0	$0	$0
12	INVESTMENT TAX CREDIT	$0	$0	$0	$0	$0
13	TOTAL OPERATING EXPENSES	$16,136,104	($540,632)	$15,595,472	$0	$15,595,472
14	OPERATING INCOME	$1,157,828	($197,378)	$960,450	$0	$960,450

SUPPORTING SCHEDULES: F-5

RECAP SCHEDULES: F-1

SCHEDULE F-5 | INTERIM RATE RELIEF - NET OPERATING INCOME ADJUSTMENTS | PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE OF PROPOSED ADJUSTMENTS TO N.O.I. AND THE REVENUE REQUIREMENT EFFECT ON EACH.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

ADJUST. NO.	ADJUSTMENT TITLE	ADJUSTMENT AMOUNT	NON-UTILITY AMOUNT	REGULATED AMOUNT	INCREASE (DECREASE) REV REQUIREMENT	REASON FOR ADJUSTMENT
	OPERATING REVENUE					
1	UNREGULATED REVENUES	$738,010	$736,010	$0	$760,835	To eliminate unregulated revenues.
		$0	$0	$0	$0	
		$0	$0	$0	$0	
		$0	$0	$0	$0	
		$0	$0	$0	$0	
2	TOTAL REVENUE ADJUSTMEMTS	$738,010	$736,010	$0	$760,835	
	OPERATIONS & MAINTENANCE EXPENSE					
3	UNREGULATED EXPENSES	($361,269)	($361,269)	$0	($372,442)	To eliminate unregulated expenses
4	OTHER EXPENSES	($34,995)	$0	($34,995)	($36,077)	To eliminate expenses per last rate case
		$0	$0	$0	$0	
		$0	$0	$0	$0	
		$0	$0	$0	$0	
		$0	$0	$0	$0	
		$0	$0	$0	$0	
		$0	$0	$0	$0	
		$0	$0	$0	$0	
5	TOTAL O & M ADJUSTMENTS	($396,264)	($361,269)	($34,995)	($408,520)	
	DEPRECIATION EXPENSE					
6	ACQUISITION ADJUSTMENT	($33,961)	$0	($33,961)	($35,011)	To eliminate expenses per last rate case
7	AMORTIZATION OF ORG. EXP.	($593)	$0	($593)	($611)	To eliminate expenses per last rate case
8	AMORTIZATION OF LEASEHOLD IMPR	($424)	$0	($424)	($437)	To eliminate expenses per last rate case
		$0	$0	$0	$0	
9	TOTAL DEPRECIATION EXPENSE ADJS	($34,978)	$0	($34,978)	($36,060)	

SUPPORTING SCHEDULES:

RECAP SCHEDULES: F-4

SCHEDULE F-5 | INTERIM RATE RELIEF - NET OPERATING INCOME ADJUSTMENTS | PAGE 2 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE OF PROPOSED ADJUSTMENTS TO N.O.I. AND THE REVENUE REQUIREMENT EFFECT ON EACH.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

ADJUST. NO.	ADJUSTMENT TITLE	ADJUSTMENT AMOUNT	NON-UTILITY AMOUNT	REGULATED AMOUNT	(DECREASE) REV REQUIREMENT	REASON FOR ADJUSTMENT
	TAXES OTHER THAN INCOME					
10	PROPERTY TAX	($512)	$0	($512)	($528)	To eliminate expenses per last rate case
		$0	$0	$0	$0	
		$0	$0	$0	$0	
		$0	$0	$0	$0	
11	TOTAL TAXES OTHER THAN INCOME ADJS	($512)	$0	($512)	($528)	
	FEDERAL INCOME TAXES					
12	INTEREST SYNCHRONIZATION	$6,366	$0	$6,366	$6,563	Interest synchronization adjustment
13	ACQUISITION ADJUSTMENT	$12,780	$0	$12,780	$13,175	Eliminate Flex Revenue Tax adjustment
14	UNREGULATED REVENUES	($141,768)	$0	($141,768)	($146,153)	Eliminate tax effect from unregulated expense adjustment
15	2ND STORY OFFICE BLDG.	$416	$0	$416	$429	Tax effect on O & M adjustments
16	AMORTIZATION OF ORG. COSTS	$160	$0	$160	$165	Tax effect on O & M adjustments
17	OTHER	$13,168	$0	$13,168	$13,575	Tax effect on O & M adjustments
18	TOTAL FEDERAL INCOME TAX ADJUSTMENTS	($108,878)	$0	($108,876)	($112,245)	
	STATE INCOME TAXES					
		$0	$0	$0	$0	
		$0	$0	$0	$0	
		$0	$0	$0	$0	
19	TOTAL STATE INCOME TAX ADJUSTMENTS	$0	$0	$0	$0	
	DEFERRED INCOME TAXES					
		$0	$0	$0	$0	
		$0	$0	$0	$0	
20	TOTAL DEFERRED TAX ADJUSTMENTS	$0	$0	$0	$0	
21	TOTAL ALL ADJUSTMENTS	$197,376	$376,741	($179,363)	$203,482	

SUPPORTING SCHEDULES:

RECAP SCHEDULES: F-4

SCHEDULE F-6 | CALCULATION OF INTERIM RATE RELIEF - REVENUE EXPANSION FACTOR | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF THE REVENUE EXPANSION FACTOR FOR THE INTERIM TEST PERIOD.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	DESCRIPTION	%
1	REVENUE REQUIREMENT	100.0000%
2	GROSS RECEIPTS TAX RATE	2.5000%
3	REGULATORY ASSESSMENT RATE	0.5000%
4	BAD DEBT RATE	0.0000%
5	NET BEFORE INCOME TAXES (1)-(2)-(3)-(4)	97.0000%
6	STATE INCOME TAX RATE	5.5000%
7	STATE INCOME TAX (5 X 6)	5.3350%
8	NET BEFORE FEDERAL INCOME TAX (5)-(7)	91.6650%
9	FEDERAL INCOME TAX RATE	35.0000%
10	FEDERAL INCOME TAX (8 X 9)	32.0828%
11	REVENUE EXPANSION FACTOR (8)-(10)	59.5822%
12	NET OPERATING INCOME MULTIPLIER (100% / LINE 11)	1.6784

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE F-7 | CALCULATION OF INTERIM RATE RELIEF - REVENUE DEFICIENCY | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE CALCULATING THE INTERIM RATE RELIEF REVENUE DEFICIENCY.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	DESCRIPTION	AMOUNT
1	ADJUSTED RATE BASE	18,514,698
2	REQUESTED RATE OF RETURN	7.86%
3	N.O.I. REQUIREMENTS	$1,455,255
4	LESS: ADJUSTED N.O.I.	$ 960,540
5	N.O.I. DEFICIENCY	$ 494,715
6	EXPANSION FACTOR	1.6784
7	REVENUE DEFICIENCY	$ 830,330

SUPPORTING SCHEDULES: F-1, F-4, F-6, F-8

RECAP SCHEDULES: A-1

SCHEDULE F-8 | CALCULATION OF INTERIM RATE RELIEF - COST OF CAPITAL | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE CALCULATING 13-MONTH AVERAGE COST OF CAPITAL FOR INTERIM RATE RELIEF.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	DESCRIPTION	PER BOOKS	ADJUSTMENTS SPECIFIC	ADJUSTMENTS PRO RATA	ADJUSTED	RATIO	COST RATE	WEIGHTED COST
1	LONG TERM DEBT	$0	$5,432,487	$0	$5,432,487	29.34%	7.76%	2.28%
2	SHORT TERM DEBT	$0	$1,805,478	$0	$1,805,478	9.75%	5.58%	0.54%
3	CUSTOMER DEPOSITS	$627,767	$0	$0	$627,767	3.39%	6.48%	0.29%
4	COMMON EQUITY	$11,532,736	($2,766,674)	$0	$8,766,062	47.35%	10.00%	4.73%
5	DEFERRED INCOME TAXES	$1,370,750	$119,250	$0	$1,490,000	8.05%	0.00%	0.00%
6	FLEX RATE LIABILITY	$0	$48,880	$0	$48,880	0.25%	6.30%	0.02%
7	DEFERRED INC. TAXES-109	($119,250)	$0	$0	($119,250)	-0.64%	0.00%	0.00%
8	REG. ASSET\LIAB. 109	$119,250	$0	$0	$119,250	0.64%	0.00%	0.00%
9	TAX CREDITS - ZERO COST	$346,024	$0	$0	$348,024	1.87%	0.00%	0.00%
								0.00%
10	TOTAL	$13,877,277	$4,637,421	$0	$18,514,698	100.00%		7.86%

SUPPORTING SCHEDULES:

SCHEDULE F-9 | RECONCILIATION OF AVERAGE CAPITAL STRUCTURE TO AVERAGE JURISDICTIONAL RATE BASE (INTERIM) | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: RECONCILE THE TOTAL CAPITAL STRUCTURE WITH THE JURISDICTIONAL 13-MONTH AVERAGE AVERAGE RATE BASE FOR THE CORRESPONDING TIME PERIOD USED FOR INTERIM PURPOSES. SHOW ALL BALANCE SHEET ACCOUNTS AND INDIVIDUAL ADJUSTMENTS NECESSARY TO CONSTRUCT THE RATE BASE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: WILLIAMS

LINE NO.	TOTAL COMPANY CAPITAL STRUCTURE		RECONCILING ADJUSTMENTS			RECONCILED CAPITAL STRUCTURE
				ADJUSTMENTS		
		AMOUNT	RECONCILING ITEMS	SPECIFIC	PRO RATA	
1	LONG TERM DEBT	$0	SEE SCHEDULE F-8	$5,432,487	$0	$5,432,487
2	SHORT TERM DEBT	$0	SEE SCHEDULE F-8	$1,805,478	$0	$1,805,478
3	CUSTOMER DEPOSITS	$627,767	SEE SCHEDULE F-8	$0	$0	$627,767
4	COMMON EQUITY	$11,532,736	SEE SCHEDULE F-8	($2,766,674)	$0	$8,766,062
5	DEFERRED INCOME TAXES	$1,370,750	SEE SCHEDULE F-8	$119,250	$0	$1,490,000
6	FLEX RATE LIABILITY	$0	SEE SCHEDULE F-8	$46,880	$0	$46,880
7	DEFERRED INC. TAXES-109	($119,250)	SEE SCHEDULE F-8	$0		($119,250)
8	REG. ASSET\LIAB. 109	$119,250	SEE SCHEDULE F-8	$0	$0	$119,250
9	TAX CREDITS - ZERO COST	$346,024	SEE SCHEDULE F-8	$0	$0	$346,024
10	TOTAL	$13,877,277		$4,637,421	$0	$18,514,698

SUPPORTING SCHEDULES:

SCHEDULE F-10 | CALCULATION OF INTERIM RATE RELIEF - DEFICIENCY ALLOCATION | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION | EXPLANATION: PROVIDE THE ALLOCATION OF INTERIM RATE RELIEF. | TYPE OF DATA SHOWN: HISTORIC BASE YEAR DATA: 12/31/99

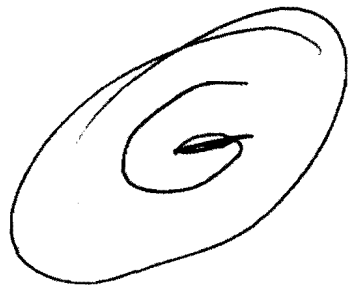
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP. | WITNESS: WILLIAMS

DOCKET NO.: 000108-GU

YEAR ENDED 12/31/99

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
LINE NO.	RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER CHARGE	ENERGY CHARGE	TOTAL (4+5)	DOLLAR INCREASE	% INCREASE	INCREASE CENTS PER THERM
1	RESIDENTIAL	104,937	2,109,072	$734,559	$989,260	$1,723,819	$224,266	13.01%	$0.1063
2	COMMERCIAL	9,598	4,576,505	143,970	1,012,094	1,156,064	150,403	13.01%	0.0329
3	COMMERCIAL LARGE VOLUME	296	1,577,734	5,920	348,916	354,836	46,164	13.01%	0.0293
4	INDUSTRIAL	272	6,074,056	10,880	1,343,277	1,354,157	176,174	13.01%	0.0290
5	INDUSTRIAL INTERRUPTIBLE	138	6,770,948	48,300	465,913	514,213	66,898	13.01%	0.0078
6	LARGE VOL CONTRACT TRANSP	25	N/A	N/A	N/A	N/A	N/A	N/A	0.0000
7	INTERRUPTIBLE TRANSP	22	4,280,196	0	227,364	227,364	29,580	13.01%	0.0069
8	FIRM TRANSP	251	13,333,150	0	1,051,852	1,051,852	136,845	13.01%	0.0103
9	SPECIAL CONTRACT TRANSP	35	N/A	N/A	N/A	N/A	N/A	N/A	0.0000
10	TOTAL	115,574	40,721,659	$943,629	$5,438,677	$6,382,306	$830,330	13.01%	$0.0204

SUPPORTING SCHEDULES: F-7 | RECAP SCHEDULES:



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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE RATE BASE FOR THE HISTORIC BASE YEAR, THE HISTORIC BASE YEAR PLUS ONE, AND THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	DESCRIPTION	BASE YEAR 12/31/99 (PER BOOKS)	COMPANY ADJUSTMENT	BASE YEAR ADJUSTED AVERAGE YEAR	BASE YR + 1 12/31/00 AVERAGE YEAR	PROJECTED TEST YEAR UNADJUSTED AVERAGE YR.	PROJECTED TEST YEAR ADJUSTMENTS	PROJECTED TEST YEAR AS ADJUSTED
	UTILITY PLANT							
1	PLANT IN SERVICE	$25,289,616	($23,702)	$25,265,914	$28,589,098	$31,980,292	($23,702)	$31,956,590
2	CONSTRUCTION WORK IN PROGRESS	$927,693	$0	$927,693	$1,822,064	$1,822,064	($1,822,064)	$0
3	ACQUISITION ADJUSTMENT	$775,529	($775,529)	($0)	$632,831	$632,831	($632,831)	$0
4	COMMON PLANT ALLOCATED	$0	($87,326)	($87,326)	$0	$0	($108,135)	($108,135)
5	PLANT HELD FOR FUTURE USE	$0	$0	$0	$0	$0	$0	$0
6	TOTAL	$26,992,839	($886,557)	$26,106,282	$31,043,993	$34,435,187	($2,586,732)	$31,848,455
	DEDUCTIONS							
7	ACCUM PROV-DEPR & AMORT	($8,869,092)	$741,557	($8,127,535)	($9,934,813)	($11,319,815)	$707,632	($10,612,182)
8	CUSTOMER ADVANCES FOR CONSTRUCTION	($196,399)	$0	($196,399)	($267,828)	($267,828)	$0	($267,828)
9	TOTAL DEDUCTIONS	($9,065,491)	$741,557	($8,323,934)	($10,202,641)	($11,587,643)	$707,632	($10,880,010)
10	PLANT NET	$17,927,347	($145,000)	$17,782,347	$20,841,352	$22,847,544	($1,879,100)	$20,968,445
	ALLOWANCE FOR WORKING CAPITAL							
11	BALANCE SHEET METHOD	($6,591,010)	$7,089,237	$498,227	($9,199,574)	($10,662,111)	$11,015,367	$353,256
12	TOTAL RATE BASE	$11,336,337	$6,944,237	$18,280,574	$11,641,779	$12,185,434	$9,136,267	$21,321,700
13	NET OPERATING INCOME	$1,157,828	($116,167)	$1,041,661	$341,670	$585,851	$221,368	$807,219
14	RATE OF RETURN	10.21%		5.70%		4.81%		3.79%

SUPPORTING SCHEDULES: B-2, G-1 p.4-8, G-1 p.15, G-2, p.18, G-2 p.21
G-2 p.22, G-2 p.1-3, G-6 p.1-2

SCHEDULE G-1 | CALCULATION OF THE PROJECTED TEST YEAR RATE BASE - WORKING CAPITAL | PAGE 2 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE WORKING CAPITAL FOR THE HISTORIC BASE YEAR, THE HISTORIC BASE YEAR + 1, AND THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	DESCRIPTION	BASE YEAR 12/31/99 (PER BOOKS)	COMPANY ADJUSTMENTS	BASE YEAR ADJUSTED AVERAGE YEAR	HBY + 1 12/31/00 AVERAGE YEAR	PROJECTED TEST YEAR UNADJUSTED AVG. YEAR	PROJECTED TEST YEAR ADJUSTMENTS	PROJECTED TEST YEAR AS ADJUSTED
	ASSETS							
1	CASH	$198,497	$0	$198,497	$242,340	$255,295	$0	$255,295
2	SPECIAL DEPOSITS	$0	$0	$0	$0	$0	$0	$0
3	WORKING FUNDS	$0	$0	$0	$0	$0	$0	$0
4	TEMPORARY CASH INVESTMENTS	$0	$0	$0	$0	$0	$0	$0
5	NOTES RECEIVABLE	$0	$0	$0		$0	$0	$0
6	ACCOUNTS RECEIVABLE -SERVICE	$148,470	($93,388)	$55,082	$195,953	$148,470	($107,396)	$41,074
7	CUST. ACCTS. REC.-GAS	$1,500,809	$0	$1,500,809	$1,636,315	$1,761,880	$0	$1,761,880
8	UNBILLED REVENUE	$157,444	$0	$157,444	$172,947	$181,632	$0	$181,632
9	ACCOUNTS RECEIVABLE -MISC	$470,142	($470,142)	($0)	$472,704	$470,142	($470,142)	$0
10	MDSE,JOBBING & OTHER	$0	$0	$0	$0	$0	$0	$0
11	ACCUM. PROV. UNCOLLECT. ACCTS.	($31,801)	$0	($31,801)	($34,212)	($36,763)	$0	($36,763)
12	RECEIVABLE ASSOC. COMPANIES	($5,052,965)	$5,052,965	($0)	($7,477,536)	($8,705,661)	$8,705,661	$0
13	PLANT & OPER.MATERIAL & SUPPL.	$363,160	$0	$363,160	$359,116	$363,160	$0	$363,160
14	MERCHANDISE	$0	$0	$0	$0	$0	$0	$0
15	STORES EXPENSE	$0	$0	$0	$0	$0	$0	$0
16	PREPAYMENTS	$88,757	$0	$88,757	$12,337	$0	$0	$0
17	MISC DEFERRED DEBITS	$120,404	($120,404)	$0	$117,912	$120,404	($120,404)	$0
18	CONSERVATION	$83,886	($83,886)	$0	$8,168	$0	$0	$0
19	CLEARING ACCOUNTS	($7,429)	$0	($7,429)	$4,380	$0	$0	$0
20	OTHER CWIP	$0	$0	$0	$0	$0	$0	$0
21	UNAMORTIZED RATE CASE	$0	$0	$0	$0	$0	$0	$0
22	UNRECOVERED GAS COST	($10,549)	$10,549	$0	($3,934)	$0	$0	$0
23	TOTAL ASSETS	($1,971,175)	$4,295,694	$2,324,519	($4,293,509)	($5,441,440)	$8,007,718	$2,566,278

SUPPORTING SCHEDULES: B-13, G-1 p.5-8, G-6 p.1

SCHEDULE G-1 | CALCULATION OF THE PROJECTED TEST YEAR RATE BASE - WORKING CAPITAL | PAGE 3 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE WORKING CAPITAL FOR THE HISTORIC BASE YEAR, THE HISTORIC BASE YEAR + 1, AND THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	DESCRIPTION	BASE YEAR 1999 (PER BOOKS)	COMPANY ADJUSTMENTS	BASE YEAR ADJUSTED AVERAGE YEAR	BASE YR. + 1 12/31/00 AVERAGE YEAR	PROJECTED TEST YEAR UNADJUSTED AVG. YEAR	PROJECTED TEST YEAR ADJUSTMENTS	PROJECTED TEST YEAR AS ADJUSTED
	LIABILITIES							
1	NOTES PAYABLE	$0	$0	$0	$0	$0	$0	$0
2	ACCOUNTS PAYABLE	$840,214	$0	$840,214	$969,501	$1,108,514	$0	$1,108,514
3	ACCTS. PAYABLE - ASSOC. CO.	$0	$0	$0	$0	$0	$0	$0
4	CUSTOMER DEPOSITS-REFUNDS	$1,231	($1,231)	$0	$0	$0	$0	$0
5	CUSTOMER DEPOSITS	$627,767	($627,767)	$0	$688,437	$789,257	($789,257)	$0
6	TAXES ACCRUED-GENERAL	$229,355	$0	$229,355	$254,089	$291,842	$0	$291,842
7	TAXES ACCRUED-INCOME	$52,429	$0	$52,429	$71,192	$81,368	$0	$81,368
8	INTEREST ACCRUED	$16,758	$99,611	$116,369	$16,757	$16,757	$99,611	$116,368
9	DIVIDENDS DECLARED	$0	$0	$0	$0	$0	$0	$0
10	TAX COLLECTIONS PAYABLE	$81,039	$0	$81,039	$89,193	$102,194	$0	$102,194
11	INACTIVE DEPOSITS	$0	$0	$0	$0	$0	$0	$0
12	CONSERVATION COST TRUE-UP	$0	$0	$0	$0	$0	$0	$0
13	MISC. CURRENT LIABILITIES	$608,808	($525,478)	$83,330	$620,710	$620,710	($525,478)	$95,232
14	CUSTOMER ADVANCES FOR CONSTRUCTION	$196,399	($196,399)	$0	$267,828	$267,828	($267,828)	$0
15	ACCUMULATED DEFFERED INCOME TAXES	$1,370,750	($1,370,750)	$0	$1,352,960	$1,392,213	($1,392,213)	$0
16	DEFERRED INVESTMENT TAX CREDITS	$346,024	($346,024)	$0	$326,501	$306,978	($306,978)	$0
17	HEALTH INSURANCE RESERVE	$0	$44,290	$44,290	$0	$0	$44,290	$44,290
18	SELF INSURANCE RESERVE	$0	$130,205	$130,205	$0	$0	$130,205	$130,205
19	OTHER DEFERRED CREDITS	$0	$0	$0	$0	$0		$0
20	PENSIONS & BENEFITS RESERVE	$249,061	$0	$249,061	$248,897	$243,010	$0	$243,010
21	TOTAL LIABILITIES	$4,619,835	($2,793,543)	$1,826,292	$4,906,064	$5,220,671	($3,007,648)	$2,213,023
22	WORKING CAPITAL	($6,591,010)	$7,089,237	$498,227	($9,199,574)	($10,662,111)	$11,015,367	$353,256

SUPPORTING SCHEDULES: B-13, G-1 p.5-8, G-6 p.1-2

SCHEDULE G-1 | RATE BASE ADJUSTMENTS | PAGE 4 OF 28

FLORIDA PUBLIC SERVICE COMMISSION | EXPLANATION: LIST AND EXPLAIN ALL PROPOSED ADJUSTMENT TO THE 13-MONTH RATE BASE | TYPE OF DATA SHOWN: PROJECTED TEST YEAR: 12/31/01

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP. | WITNESS: WILLIAMS

DOCKET NO.: 000108-GU

AD. NO.	ADJUSTMENT TITLE	ADJUSTMENT AMOUNT	NON-UTILITY	REGULATED	REASON FOR ADJUSTMENT
	UTILITY PLANT IN SERVICE				
1	Eliminate CWIP	($1,822,064)	$0	($1,822,064)	Per Commission Policy
2	Eliminate acquisition adjustment	($632,831)	$0	($632,831)	To remove Acquisition Adjustment.
3	Eliminate 2nd Story Office Bldg.	($23,702)	$0	($23,702)	To remove 2nd Story Office Bldg.
4	Eliminate Common Plant	($108,135)	($108,135)	$0	To remove Common Plant.
5	TOTAL	($2,586,732)	($108,135)	($2,478,597)	
	ACCUM. DEPR.-UTILITY PLANT				
6	Eliminate Acquisition Adj.	$632,831	$0	$632,831	To remove the reserve associated to the Acquisition Adjustment.
7	Eliminate 2nd Story Office	$8,593	$0	$8,593	To remove the reserve associated to the 2nd Story Office Bldg.
8	Eliminate Franchise\Consent	$5,926	$0	$5,926	To remove reserve associated with Franchise & Consent.
9	Eliminate Reserve Common Plant	$60,282	$60,282	$0	To remove reserve associated with Common Plant.
10	TOTAL	$707,632	$60,282	$847,350	
	ALLOWANCE FOR WORKING CAPITAL				
11	(SEE SCHEDULE G-1 PAGES 2-3 FOR DETAIL)	$11,015,367	$0	$11,015,367	
12	TOTAL RATE BASE ADJUSTMENTS	$9,136,267	($47,853)	$9,184,120	

1 p.2-3, G-1 p.7-8, G-1 p.10, G-1 p.12, G-1 p.14, G-1 p.18, G-1 p.22, G-6 p.1-2

SCHEDULE G-1 | CALCULATION OF THE PROJECTED TEST YEAR - BALANCE SHEET | PAGE 5 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE BALANCE SHEET FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	ASSETS	BEG. BALANCE	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	13 MONTH AVERAGE	REFERENCE
1	GAS PLANT IN SERV.	$26,482,696	$28,751,811	$27,062,438	$27,322,306	$27,700,425	$28,193,269	$26,875,321	$28,977,185	$29,398,148	$29,687,382	$30,316,354	$30,355,143	$30,536,000	$28,589,098	RATE BASE
2	PLANT HELD FOR FUT.USE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
3	CWIP	$1,822,084	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,084	$1,822,064	$1,822,064	$1,822,064	RATE BASE
4	GAS PLANT ACQ. ADJ.	$632,831	$632,831	$632,831	$632,831	$632,831	$632,831	$632,831	$832,831	$832,831	$832,831	$632,831	$832,831	$832,831	$632,831	RATE BASE
5	GROSS UTILITY PLANT	$28,937,591	$29,206,506	$29,517,333	$29,777,201	$30,155,320	$30,648,164	$31,130,216	$31,432,080	$31,853,041	$32,342,277	$32,771,249	$32,810,038	$32,990,895	$31,043,993	
6	ACCUM. PROVISION FOR DEPR.	($9,286,262)	($9,389,445)	($9,493,922)	($9,599,533)	($9,706,312)	($9,814,763)	($9,925,098)	($10,036,797)	($10,149,671)	($10,264,000)	($10,379,787)	($10,496,407)	($10,610,578)	($9,934,813)	RATE BASE
7	NET PLANT	$19,651,329	$19,817,061	$20,023,411	$20,177,669	$20,449,008	$20,833,401	$21,205,121	$21,395,283	$21,703,370	$22,078,276	$22,391,462	$22,313,631	$22,380,319	$21,109,180	
8	INVESTMENT IN SUBSIDIARY CO.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
9	SINKING FUNDS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
10	NON UTILITY PROPERTY	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
11	TOTAL PROPERTY & INVEST.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
12	CASH	$482,271	$459,235	$32,533	$175,111	$432,015	$220,906	($31,456)	$46,152	($188,069)	$425,042	$208,515	$399,672	$508,498	$242,340	WORKING CAP.
13	SPECIAL DEPOSITS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
14	WORKING FUNDS & CASH INVEST.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
15	TEMP CASH INVESTMENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
16	NOTES RECEIVABLE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
17	ACCOUNTS RECEIVABLE -SERVICE	$765,744	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$195,953	WORKING CAP.
18	CUST. ACCTS. REC.-GAS	$1,894,683	$1,392,870	$1,996,185	$1,875,139	$1,772,752	$1,593,253	$1,888,170	$1,507,842	$1,199,788	$1,459,933	$1,225,206	$1,742,970	$1,923,528	$1,636,315	WORKING CAP.
19	UNBILLED REVENUE	$196,361	$199,498	$199,498	$207,844	$207,844	$207,844	$149,810	$149,610	$149,610	$121,531	$121,531	$121,531	$215,997	$172,947	WORKING CAP.
20	ACCOUNTS RECEIVABLE -MISC	$503,448	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$472,704	WORKING CAP.
21	MDSE,JOBBING & OTHER	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
22	ACCUM. PROV. UNCOLLECT. ACCT:	($33,950)	($29,529)	($42,319)	($39,753)	($37,582)	($33,777)	($35,789)	($31,962)	($25,435)	($30,951)	($25,974)	($36,951)	($40,779)	($34,212)	WORKING CAP.
23	RECEIVABLE ASSOC. COMPANIES	($6,812,965)	($6,338,068)	($8,630,137)	($8,610,184)	($6,987,095)	($7,150,929)	($7,505,812)	($7,680,180)	($7,258,072)	($8,784,078)	($8,105,155)	($8,857,578)	($8,489,731)	($7,477,536)	WORKING CAP.
24	PLANT & OPER.MATERIAL & SUPPL	$379,394	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	$294,357	$363,160	$363,160	$363,160	$359,118	WORKING CAP.
25	MERCHANDISE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
26	STORES EXPENSE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
27	PREPAYMENTS	$160,386	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$12,337	WORKING CAP.
28	TOTAL CURR.& ACCR. ASSETS	($2,484,828)	($3,332,223)	($3,462,468)	($3,410,051)	($3,630,294)	($4,180,930)	($4,753,505)	($5,026,966)	($5,140,407)	($5,895,553)	($5,594,105)	($5,648,584)	($4,900,714)	($4,420,035)	
29	UNAMORT. DD&E	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
30	CONSERVATION	$106,181	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$8,168	WORKING CAP.
31	MISC DEFERRED DEBITS	$88,004	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$117,912	WORKING CAP.
32	CLEARING ACCTS	$56,938	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$4,380	WORKING CAP.
33	OTHER WIP-ENVIROMENTAL MATTI	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
34	UNAMORT. RATE CASE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
35	UNRECOVERED GAS COST	($51,144)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	($3,934)	WORKING CAP.
36	TOTAL DEFERRED CHARGES	$199,979	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$126,525	
37	TOTAL ASSETS	$17,366,680	$16,605,243	$18,681,327	$18,888,022	$18,939,118	$18,772,874	$16,572,020	$16,488,721	$18,683,367	$16,303,127	$18,917,762	$16,785,451	$17,600,008	$18,815,871	

SUPPORTING SCHEDULES: G-1 p.9, G-6 p.1

RECAP SCHEDULES: G-1 p.1-3

SCHEDULE G-1 | CALCULATION OF THE PROJECTED TEST YEAR - BALANCE SHEET | PAGE 6 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE BALANCE SHEET FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	CAPITALIZATION & LIABILITIES	BEG. BALANCE	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	13 MONTH AVERAGE	REFERENCE
1	COMMON STOCK	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
2	ADDITIONAL CAPITAL	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
3	UNAPPROPRIATED RET. EARN.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
4	UNDISTRIBUTED SUBS.EARN.	$11,809,982	$11,967,974	$12,006,143	$12,129,829	$12,166,108	$12,121,913	$12,038,048	$11,951,184	$11,852,678	$11,729,856	$11,662,702	$11,627,457	$11,781,018	$11,909,807	CAP. STRUCT.
5	TOTAL STOCKHOLDERS EQUITY	$11,809,982	$11,967,974	$12,006,143	$12,129,829	$12,166,108	$12,121,913	$12,038,046	$11,951,184	$11,852,678	$11,729,856	$11,662,702	$11,627,457	$11,761,018	$11,909,607	
6	FM BONDS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
7	LONG TERM NOTES	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
8	OTHER LT DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
9	TOTAL LONG TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
10	NOTES PAYABLE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
11	ACCOUNTS PAYABLE	$1,667,026	$915,099	$835,841	$667,753	$840,026	$611,258	$608,609	$606,709	$806,946	$865,704	$1,275,483	$1,089,527	$1,833,729	$969,501	WORKING CAP.
12	ACCOUNTS PAY. ASSOC. CO.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
13	CUSTOMER DEPOSITS	$835,812	$679,193	$686,296	$685,508	$681,809	$684,433	$689,572	$687,331	$719,322	$695,498	$698,025	$707,490	$899,393	$688,437	CAP. STRUCT.
14	TAXES ACCRUED-GENERAL	$93,913	$116,592	$174,836	$174,669	$231,865	$294,414	$269,856	$286,690	$354,427	$354,585	$430,667	$417,348	$103,304	$254,089	WORKING CAP.
15	TAXES ACCRUED-INCOME	$130,618	$59,578	$110,794	$182,708	$146,623	$172,626	$64,129	$36,622	$17,139	($66,281)	($56,239)	$3,498	$143,680	$71,192	WORKING CAP.
16	INTEREST ACCRUED	($4)	$3,108	$6,520	$9,689	$13,740	$17,015	$20,131	$23,195	$26,369	$29,558	$32,781	$35,741	($4)	$16,757	WORKING CAP.
17	DIVIDENDS DECLARED	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
18	TAX COLLECTIONS PAYABLE	$98,244	$69,685	$78,048	$97,469	$79,691	$92,398	$102,770	$90,429	$100,606	$89,885	$68,077	$86,137	$108,068	$89,193	WORKING CAP.
19	INACTIVE DEPOSITS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
20	CONSERVATION COST TRUE-UP	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
21	MISC. CURRENT LIABILITIES	$742,308	$599,877	$585,892	$559,818	$586,119	$585,122	$584,654	$611,523	$610,517	$608,399	$611,555	$641,334	$742,308	$820,710	WORKING CAP.
22	TOTAL CURR.& ACCRUED LIAB.	$3,367,917	$2,443,132	$2,477,828	$2,557,611	$2,579,872	$2,457,266	$2,339,722	$2,342,499	$2,635,325	$2,377,349	$3,058,349	$2,961,072	$3,630,478	$2,709,878	
23	CUSTOMER ADVANCES FOR CONS'	$267,828	$267,828	$267,828	$267,828	$267,828	$267,828	$267,828	$267,828	$267,828	$267,828	$267,828	$267,828	$267,828	$267,828	RATE BASE
24	OTHER DEFERRED CREDITS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
25	ACCUMULATED DEFERRED INC. TA	$1,349,940	$1,349,940	$1,349,940	$1,349,940	$1,349,940	$1,349,940	$1,349,940	$1,349,940	$1,349,940	$1,349,940	$1,349,940	$1,349,940	$1,389,194	$1,352,960	CAP. STRUCT.
26	DEF. INVESTMENT TAX CREDIT	$328,003	$328,003	$328,003	$328,003	$328,003	$328,003	$328,003	$328,003	$328,003	$328,003	$328,003	$328,003	$308,480	$326,501	CAP. STRUCT.
27	TOTAL DEFERRED CREDITS	$1,945,771	$1,945,771	$1,945,771	$1,945,771	$1,945,771	$1,945,771	$1,945,771	$1,945,771	$1,945,771	$1,945,771	$1,945,771	$1,945,771	$1,965,502	$1,947,289	
28	PENSIONS & BENEFITS RESERVE	$243,010	$248,366	$251,586	$254,811	$247,367	$247,924	$248,481	$249,268	$249,595	$250,152	$250,940	$251,151	$243,010	$248,897	
29	TOTAL OPERATING RESERVES	$2,188,781	$2,194,137	$2,197,357	$2,200,582	$2,193,138	$2,193,895	$2,194,252	$2,195,039	$2,195,366	$2,195,923	$2,196,711	$2,196,922	$2,208,512	$2,196,186	
30	TOTAL CAPITAL. & LIAB.	$17,366,680	$16,605,243	$18,881,327	$16,888,022	$18,939,116	$16,772,875	$16,572,020	$18,488,721	$16,683,367	$16,303,127	$16,917,762	$18,785,451	$17,600,009	$16,815,871	

SUPPORTING SCHEDULES: G-6 p.1-2

RECAP SCHEDULES: G-1 p.1-3

SCHEDULE G-1 | CALCULATION OF THE PROJECTED TEST YEAR - BALANCE SHEET | PAGE 7 OF 28

FLORIDA PUBLIC SERVICE COMMISSION | EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE BALANCE SHEET FOR THE PROJECTED TEST YEAR. | TYPE OF DATA SHOWN: PROJECTED TEST YEAR: 12/31/01

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES | WITNESS: WILLIAMS

DOCKET NO.: 000108-GU

LINE NO.	ASSETS	BEG. BALANCE	JANUARY 2001	FEBRUARY 2001	MARCH 2001	APRIL 2001	MAY 2001	JUNE 2001	JULY 2001	AUGUST 2001	SEPTEMBER 2001	OCTOBER 2001	NOVEMBER 2001	DECEMBER 2001	13 MONTH AVERAGE	REFERENCE
1	GAS PLANT IN SERV.	$30,536,000	$30,784,823	$31,035,648	$31,286,472	$31,504,304	$31,718,753	$31,948,294	$32,195,618	$32,447,442	$32,696,767	$32,948,591	$33,197,915	$33,445,171	$31,980,292	RATE BASE
2	PLANT HELD FOR FUT.USE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
3	CWIP	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	$1,822,064	RATE BASE
4	GAS PLANT ACQ. ADJ.	$632,831	$632,831	$632,831	$632,831	$632,831	$632,831	$632,831	$632,831	$632,831	$632,831	$632,831	$632,831	$632,831	$632,831	RATE BASE
5	GROSS UTILITY PLANT	$32,990,895	$33,239,718	$33,490,543	$33,741,367	$33,959,199	$34,173,848	$34,401,189	$34,650,513	$34,902,337	$35,151,662	$35,403,486	$35,652,810	$35,900,066	$34,435,187	
6	ACCUM. PROVISION FOR DEPR.	($10,610,576)	($10,725,464)	($10,841,378)	($10,958,327)	($11,078,117)	($11,194,531)	($11,313,628)	($11,433,613)	($11,554,630)	($11,676,680)	($11,799,763)	($11,923,877)	($12,049,007)	($11,319,815)	RATE BASE
7	NET PLANT	$22,380,319	$22,514,254	$22,649,164	$22,783,040	$22,883,083	$22,979,117	$23,087,562	$23,216,900	$23,347,707	$23,474,982	$23,603,724	$23,728,933	$23,851,060	$23,115,372	
8	INVESTMENT IN SUBSIDIARY CO.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
9	SINKING FUNDS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
10	NON UTILITY PROPERTY	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
11	TOTAL PROPERTY & INVEST.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
12	CASH	$508,498	$480,109	$34,011	$183,071	$451,652	$230,948	($32,885)	$48,249	($198,618)	$444,362	$217,993	$417,839	$531,612	$255,295	WORKING CAP.
13	SPECIAL DEPOSITS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
14	WORKING FUNDS & CASH INVEST.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
15	TEMP CASH INVESTMENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
16	NOTES RECEIVABLE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
17	ACCOUNTS RECEIVABLE-SERVICE	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$148,470	$146,470	$148,470	$148,470	WORKING CAP.
18	CUST. ACCTS. REC.-GAS	$1,923,528	$2,086,899	$1,960,373	$1,853,332	$1,685,674	$1,764,905	$1,576,172	$1,254,323	$1,526,294	$1,280,898	$1,822,196	$2,010,961	$2,178,885	$1,761,880	WORKING CAP.
19	UNBILLED REVENUE	$215,997	$208,566	$208,566	$217,291	$217,291	$217,291	$156,410	$156,410	$156,410	$127,055	$127,055	$127,055	$225,815	$181,632	WORKING CAP.
20	ACCOUNTS RECEIVABLE-MISC.	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	$470,142	WORKING CAP.
21	MDSE,JOBBING & OTHER	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
22	ACCUM. PROV. UNCOLLECT. ACCTS	($40,779)	($37,473)	($37,976)	($40,431)	($35,811)	($34,796)	($35,104)	($33,588)	($34,349)	($34,172)	($35,971)	($38,426)	($39,043)	($36,763)	WORKING CAP.
23	RECEIVABLE ASSOC. COMPANIES	($8,489,731)	($9,446,114)	($8,827,825)	($8,698,987)	($8,732,564)	($8,782,028)	($8,482,866)	($8,340,845)	($8,138,393)	($8,945,337)	($8,563,890)	($9,120,677)	($8,606,332)	($8,705,661)	WORKING CAP.
24	PLANT & OPER.MATERIAL & SUPPL.	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	$363,160	WORKING CAP.
25	MERCHANDISE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
26	STORES EXPENSE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
27	PREPAYMENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
28	TOTAL CURR.& ACCR. ASSETS	($4,900,714)	($5,726,240)	($5,881,079)	($5,503,951)	($5,451,986)	($5,621,908)	($5,836,501)	($5,933,678)	($5,702,884)	($6,145,422)	($5,450,845)	($5,621,476)	($4,727,290)	($5,561,844)	
29	UNAMORT. DD&E	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
30	CONSERVATION	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
31	MISC DEFERRED DEBITS	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	WORKING CAP.
32	CLEARING ACCTS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
33	OTHER WIP-ENVIROMENTAL MATTE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
34	UNAMORT. RATE CASE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
35	UNRECOVERED GAS COST	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
36	TOTAL DEFERRED CHARGES	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	$120,404	
37	TOTAL ASSETS	$17,600,008	$16,908,417	$17,088,489	$17,399,492	$17,551,501	$17,477,613	$17,371,465	$17,403,626	$17,765,227	$17,449,964	$18,273,283	$18,227,861	$19,244,173	$17,673,932	

SUPPORTING SCHEDULES: G-1 p.10, G-6 p.1

RECAP SCHEDULES: G-1 p.1-3

SCHEDULE G-1 | CALCULATION OF THE PROJECTED TEST YEAR - BALANCE SHEET | PAGE 8 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE BALANCE SHEET FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES

DOCKET NO.: 000108-GU

LINE NO.	CAPITALIZATION & LIABILITIES	BEG. BALANCE	JANUARY 2001	FEBRUARY 2001	MARCH 2001	APRIL 2001	MAY 2001	JUNE 2001	JULY 2001	AUGUST 2001	SEPTEMBER 2001	OCTOBER 2001	NOVEMBER 2001	DECEMBER 2001	13 MONTH AVERAGE	REFERENCE
1	COMMON STOCK	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
2	ADDITIONAL CAPITAL	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
3	UNAPPROPRIATED RET. EARN.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
4	UNDISTRIBUTED SUBS.EARN.	$11,761,018	$11,980,751	$12,119,307	$12,335,153	$12,466,115	$12,533,566	$12,562,991	$12,596,448	$12,621,624	$12,603,195	$12,644,320	$12,715,677	$12,952,238	$12,453,262	CAP. STRUCT.
5	TOTAL STOCKHOLDERS EQUITY	$11,761,016	$11,980,751	$12,119,307	$12,335,153	$12,466,115	$12,533,566	$12,562,991	$12,596,448	$12,621,624	$12,603,195	$12,644,320	$12,715,677	$12,952,238	$12,453,262	
6	FM BONDS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
7	LONG TERM NOTES	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
8	OTHER LT DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
9	TOTAL LONG TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
10	NOTES PAYABLE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
11	ACCOUNTS PAYABLE	$1,833,729	$1,052,364	$960,988	$997,915	$968,030	$702,947	$699,900	$897,716	$927,968	$765,559	$1,466,805	$1,229,956	$2,108,788	$1,108,514	WORKING CAP.
12	ACCOUNTS PAY. ASSOC. CO.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
13	CUSTOMER DEPOSITS	$699,393	$781,072	$789,240	$788,334	$784,080	$787,098	$793,008	$790,430	$827,220	$799,823	$802,729	$813,614	$804,302	$789,257	CAP. STRUCT.
14	TAXES ACCRUED-GENERAL	$103,304	$134,081	$201,062	$200,869	$266,644	$338,576	$310,335	$329,693	$407,591	$407,773	$495,266	$479,947	$118,800	$291,642	WORKING CAP.
15	TAXES ACCRUED-INCOME	$143,680	$68,515	$127,413	$187,114	$168,617	$198,520	$73,748	$42,118	$19,710	($76,223)	($64,874)	$4,023	$165,232	$81,368	WORKING CAP.
16	INTEREST ACCRUED	($4)	$3,108	$6,520	$9,689	$13,740	$17,015	$20,131	$23,195	$26,369	$29,558	$32,781	$35,741	($4)	$18,757	WORKING CAP.
17	DIVIDENDS DECLARED	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
18	TAX COLLECTIONS PAYABLE	$108,068	$80,138	$89,756	$112,089	$91,644	$106,257	$118,185	$103,993	$115,697	$103,368	$75,989	$99,057	$124,279	$102,194	WORKING CAP.
19	INACTIVE DEPOSITS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
20	CONSERVATION COST TRUE-UP	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
21	MISC. CURRENT LIABILITIES	$742,308	$599,877	$585,692	$559,816	$588,119	$585,122	$584,654	$611,523	$610,517	$808,399	$611,555	$641,334	$742,308	$620,710	WORKING CAP.
22	TOTAL CURR.& ACCRUED LIAB.	$3,830,478	$2,719,154	$2,760,670	$2,855,827	$2,876,874	$2,735,535	$2,599,962	$2,598,666	$2,935,091	$2,638,257	$3,420,451	$3,303,672	$4,063,704	$3,010,642	
23	CUSTOMER ADVANCES FOR CONS	$267,828	$267,828	$267,826	$267,828	$267,828	$267,828	$267,828	$267,828	$267,828	$267,828	$267,826	$267,828	$267,826	$267,828	RATE BASE
24	OTHER DEFERRED CREDITS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
25	ACCUMULATED DEFERRED INC. TA	$1,389,194	$1,389,194	$1,389,194	$1,389,194	$1,389,194	$1,389,194	$1,389,194	$1,389,194	$1,389,194	$1,389,194	$1,389,194	$1,389,194	$1,428,438	$1,392,213	CAP. STRUCT.
26	DEF. INVESTMENT TAX CREDIT	$308,480	$308,480	$308,480	$308,480	$308,480	$308,480	$308,480	$308,480	$308,480	$308,480	$308,480	$308,480	$288,957	$306,978	CAP. STRUCT.
27	TOTAL DEFERRED CREDITS	$1,965,502	$1,965,502	$1,965,502	$1,965,502	$1,965,502	$1,965,502	$1,965,502	$1,965,502	$1,965,502	$1,965,502	$1,965,502	$1,965,502	$1,985,223	$1,967,019	
28	PENSIONS & BENEFITS RESERVE	$243,010	$243,010	$243,010	$243,010	$243,010	$243,010	$243,010	$243,010	$243,010	$243,010	$243,010	$243,010	$243,010	$243,010	WORKING CAP.
29	TOTAL OPERATING RESERVES	$2,208,512	$2,208,512	$2,208,512	$2,208,512	$2,208,512	$2,208,512	$2,208,512	$2,208,512	$2,208,512	$2,208,512	$2,208,512	$2,208,512	$2,228,233	$2,210,029	
30	TOTAL CAPITAL. & LIAB.	$17,600,009	$18,908,417	$17,088,489	$17,399,492	$17,551,501	$17,477,613	$17,371,465	$17,403,626	$17,765,227	$17,449,964	$18,273,283	$18,227,861	$19,244,173	$17,673,932	

SUPPORTING SCHEDULES: G-6 p.1-2

RECAP SCHEDULES: G-1 p.1-3

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SCHEDULE G-1 | CALCULATION OF THE PROJECTED TEST YEAR RATE BASE | PAGE 9 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE UTILITY PLANT FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

ESTIMATED PLANT BALANCES FOR THE YEAR ENDING 12/31/00

LINE NO.	A/C NO.	DESCRIPTION	BEGINNING BALANCE	JAN 2000	FEB 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEP 2000	OCT 2000	NOV 2000	DEC 2000	13 MONTH AVERAGE
1	301	ORGANIZATION	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328
2	302	FRANCHISES AND CONSENTS	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	$14,124
3	303	MISC INTANGIBLE PLANT	1,002,618	1,002,618	1,002,816	1,002,616	1,002,816	1,002,616	1,002,616	1,002,816	1,002,816	1,002,616	1,002,816	1,002,616	1,002,818	$1,002,616
4	374.01	LAND	28,635	28,635	28,635	28,835	28,635	28,835	28,635	28,635	28,635	28,835	28,835	28,835	28,835	$28,635
5	374.02	LAND RIGHTS	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
6	375	STRUCTURES & IMPROVEMENT	233,058	233,056	238,556	238,556	238,556	238,556	238,556	238,558	238,556	238,556	238,558	238,556	238,556	$237,710
7	376	MAINS (STEEL)	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	$10,444,401
8	376	MAINS (PLASTIC)	4,000,202	4,081,637	4,170,682	4,278,328	4,523,098	4,885,400	5,207,702	5,394,079	5,651,318	5,949,832	6,247,948	6,156,071	6,237,708	$5,135,693
9	377	COMPRESSOR STAT EQUIP	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
10	378	MEAS & REG STAT EQUP-GEN	574,617	580,755	586,889	593,022	599,156	605,290	611,423	634,144	640,278	646,411	852,545	658,679	864,812	$619,079
11	379	MEAS & REG STAT EQUP-GEN	1,096,891	1,099,708	1,184,357	1,213,550	1,216,368	1,219,185	1,222,003	1,224,821	1,249,460	1,321,597	1,348,423	1,369,839	1,372,857	$1,241,451
12	380	SERVICES (STEEL)	1,064,837	1,064,637	1,064,837	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,837	1,064,637	$1,064,637
13	380	SERVICES (PLASTIC)	1,940,782	1,982,699	2,024,819	2,066,538	2,108,457	2,150,377	2,192,296	2,234,215	2,276,135	2,318,054	2,359,973	2,401,893	2,443,812	$2,192,296
14	381	METERS	1,053,519	1,085,299	1,077,076	1,088,853	1,100,630	1,112,407	1,124,184	1,135,961	1,147,738	1,159,515	1,171,292	1,183,069	1,194,846	$1,124,183
15	382	METER INSTALLATIONS	872,495	693,582	714,622	735,683	756,743	777,804	798,864	819,925	840,985	862,046	883,106	904,187	925,227	$798,864
16	383	HOUSE REGULATORS	716,768	728,273	735,280	751,787	758,794	761,551	777,308	780,065	787,072	798,579	805,588	808,343	815,350	$771,135
17	384	HOUSE REG-INST	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
18	385	IND MEAS & REG STAT EQUP	1,256,342	1,264,610	1,272,878	1,281,148	1,289,414	1,297,682	1,305,950	1,314,218	1,354,238	1,368,457	1,376,725	1,398,159	1,406,427	$1,322,019
19	386.00	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
20	386.01	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
21	386.02	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
22	386.03	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
23	387	OTHER EQUIPMENT	269,950	277,476	299,976	312,173	312,173	315,573	315,573	315,573	315,573	315,573	315,573	315,573	315,573	$307,410
24	389	LAND	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	$98,285
25	390.00	STRUCTURES AND IMPROVMNT	334,388	334,386	334,386	334,386	334,386	334,386	334,386	334,386	334,386	334,388	334,386	334,388	332,955	$334,276
26	390.02	LEASEHOLD IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
27	391.01	DATA PROCESSING EQUIPMENT	130,420	133,420	134,670	135,920	137,170	138,420	139,670	140,920	142,170	143,420	144,670	145,920	147,170	$139,535
28	391.02	OFFICE FURNITURE	85,961	102,461	113,961	116,461	118,961	121,461	123,961	126,461	128,961	131,461	133,961	138,461	138,461	$121,307
29	391.03	OFFICE EQUIPMENT	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	$77,135
30	391.04	VAX SYSTEM EQUIPMENT	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	$50,151
31	392.01	AUTO & TRUCKS-TO 1\2 TON	717,513	737,513	737,513	737,513	742,711	790,954	818,804	818,804	818,804	818,804	818,804	818,804	818,804	$764,257
32	392.02	TRUCKS OVER 1/2 TON	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	$119,139
33	392.03	AIRCRAFT	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
34	392.04	OTHER TRANSPORTATION	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
35	394	TOOLS, SHOP, GARAGE EQUP	77,215	78,977	79,394	80,811	81,227	81,644	82,061	82,477	82,894	84,311	84,727	85,144	85,561	$82,034
36	395	LABORATORY EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
37	398	POWER OPERATED EQUIPMENT	291,935	326,935	328,935	326,935	351,935	351,935	351,935	351,935	351,935	351,935	351,935	351,935	351,935	$341,550
38	397	COMMUNICATION EQUIPMENT	60,110	60,110	60,110	60,110	60,110	60,110	60,110	60,110	67,110	74,110	77,610	77,610	77,610	$65,764
39	398	MISC EQUIPMENT	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	$48,083
40		TOTAL PLANT IN SERVICE	$26,482,696	$26,751,611	$27,062,438	$27,322,306	$27,700,425	$28,193,269	$28,675,321	$28,977,185	$29,398,146	$29,887,382	$30,316,354	$30,355,143	$30,536,000	$28,589,098

SUPPORTING SCHEDULES: G-1 p.23-25, G-6 p.1

RECAP SCHEDULES: G-1 p.5

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SCHEDULE G-1 | CALCULATION OF THE PROJECTED TEST YEAR RATE BASE | PAGE 10 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE UTILITY PLANT FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

ESTIMATED PLANT BALANCES FOR THE YEAR ENDING 12/31/01

LINE NO.	A/C NO.	DESCRIPTION	BEGINNING BALANCE	JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	13 MONTH AVERAGE
1	301	ORGANIZATION	$23,328	$23,328	$23,328	$23,326	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,326	$23,328	$23,328
2	302	FRANCHISES AND CONSENTS	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	$14,124
3	303	MISC INTANGIBLE PLANT	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	1,002,616	$1,002,616
4	374.01	LAND	28,635	28,635	28,635	28,635	28,635	28,635	28,635	28,635	28,635	28,635	28,635	28,635	28,635	$28,635
5	374.02	LAND RIGHTS	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
6	375	STRUCTURES & IMPROVEMENT	236,556	240,640	242,723	244,806	246,890	248,973	251,056	253,140	255,223	257,306	259,390	261,473	263,556	$251,056
7	376	MAINS (STEEL)	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	$10,444,401
8	376	MAINS (PLASTIC)	6,237,708	6,349,546	6,461,384	6,573,221	6,685,060	6,796,897	6,908,735	7,020,573	7,132,411	7,244,248	7,356,087	7,467,924	7,579,758	$8,908,735
9	377	COMPRESSOR STAT EQUIP	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
10	378	MEAS & REG STAT EQUP-GEN	664,812	668,393	671,974	675,554	679,135	682,716	686,296	689,877	693,458	697,039	700,619	704,200	707,782	$686,297
11	379	MEAS & REG STAT EQUP-GEN	1,372,657	1,373,490	1,374,323	1,375,157	1,375,990	1,376,823	1,377,657	1,378,490	1,379,323	1,380,157	1,380,990	1,381,823	1,382,657	$1,377,657
12	380	SERVICES (STEEL)	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	1,064,637	$1,064,637
13	380	SERVICES (PLASTIC)	2,443,812	2,495,832	2,547,851	2,599,871	2,651,890	2,703,910	2,755,929	2,807,949	2,859,968	2,911,988	2,964,007	3,018,027	3,068,045	$2,755,929
14	381	METERS	1,194,846	1,209,473	1,224,101	1,238,729	1,253,356	1,267,984	1,282,812	1,297,239	1,311,867	1,326,494	1,341,122	1,355,750	1,370,380	$1,282,612
15	382	METER INSTALLATIONS	925,227	947,842	970,457	993,072	1,015,687	1,038,302	1,060,917	1,063,532	1,106,147	1,128,762	1,151,377	1,173,992	1,196,607	$1,060,917
16	383	HOUSE REGULATORS	815,350	824,494	833,637	842,781	851,925	861,068	870,212	879,356	888,499	897,843	906,787	915,930	925,080	$870,213
17	384	HOUSE REG-INST	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
18	385	IND MEAS & REG STAT EQUP	1,406,427	1,412,677	1,418,927	1,425,177	1,431,427	1,437,677	1,443,927	1,450,177	1,456,427	1,462,677	1,468,927	1,475,177	1,481,427	$1,443,927
19	386.00	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
20	386.01	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
21	386.02	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
22	386.03	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
23	387	OTHER EQUIPMENT	315,573	317,657	319,740	321,823	323,907	325,990	328,073	330,156	332,240	334,323	336,406	338,490	340,573	$328,073
24	389	LAND	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	$98,285
25	390.00	STRUCTURES AND IMPROVMNT	332,955	332,955	332,955	332,955	332,955	332,955	332,955	332,955	332,955	332,955	332,955	332,955	331,381	$332,834
26	390.02	LEASEHOLD IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
27	391.01	DATA PROCESSING EQUIPMENT	147,170	147,170	148,670	150,170	152,670	152,670	155,170	155,170	157,670	157,670	160,170	160,170	160,170	$154,208
28	391.02	OFFICE FURNITURE	136,461	136,461	136,961	137,461	137,961	138,461	138,961	139,461	139,961	140,461	140,961	141,461	141,461	$138,961
29	391.03	OFFICE EQUIPMENT	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	77,135	$77,135
30	391.04	VAX SYSTEM EQUIPMENT	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	$50,151
31	392.01	AUTO & TRUCKS-TO 1\2 TON	818,604	834,471	850,137	865,604	847,479	828,270	619,653	835,320	850,986	866,653	882,320	897,986	913,653	$854,734
32	392.02	TRUCKS OVER 1/2 TON	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	$119,139
33	392.03	AIRCRAFT	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
34	392.04	OTHER TRANSPORTATION	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
35	394	TOOLS, SHOP, GARAGE EQUP	85,561	86,144	86,727	87,311	87,894	88,477	89,061	89,644	90,227	90,811	91,394	91,977	92,561	$89,061
38	395	LABORATORY EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
37	396	POWER OPERATED EQUIPMENT	351,935	355,685	359,435	363,185	366,935	370,685	374,435	378,185	381,935	385,685	389,435	393,185	396,935	$374,435
38	397	COMMUNICATION EQUIPMENT	77,610	80,944	84,277	87,610	90,944	94,277	97,610	100,944	104,277	107,610	110,944	114,277	117,610	$97,610
39	398	MISC EQUIPMENT	48,083	48,500	46,917	49,333	49,750	50,167	50,583	51,000	51,417	51,833	52,250	52,667	53,083	$50,583
40		TOTAL PLANT IN SERVICE	$30,536,000	$30,784,823	$31,035,646	$31,286,472	$31,504,304	$31,718,753	$31,946,294	$32,195,618	$32,447,442	$32,696,767	$32,948,591	$33,197,915	$33,445,171	$31,980,292

SUPPORTING SCHEDULES: G-1 p.26-28, G-6 p.1

RECAP SCHEDULES: G-1 p.7

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SCHEDULE G-1 | DEPRECIATION RESERVE BALANCES | PAGE 11 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE DEPRECIATION RESERVE BALANCES FOR EACH ACCOUNT OR SUB-ACCOUNT TO WHICH AN INDIVIDUAL DEPRECIATION RATE IS APPLIED FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

LINE NO.	A/C NO.	DESCRIPTION	Depr Rates	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEP 2000	OCT 2000	NOV 2000	DEC 2000	13 MONTH AVERAGE
1	362	GAS HOLDERS	0.000	$504,710	$505,736	$506,762	$507,788	$508,814	$509,840	$510,866	$511,892	$512,918	$513,944	$514,970	$515,996	$517,022	$510,866
2	375	STRUCTURES & IMPROVEMENTS	0.030	44,701	45,283	45,873	46,469	47,066	47,662	48,258	48,855	49,451	50,048	50,644	51,240	51,837	$48,261
3	376	MAINS (STEEL)	0.032	4,116,285	4,144,137	4,171,988	4,199,840	4,227,692	4,255,544	4,283,395	4,311,247	4,339,099	4,366,950	4,394,802	4,422,654	4,450,506	$4,283,395
4	378	MAINS (PLASTIC)	0.035	574,620	586,407	598,442	610,763	623,599	637,290	651,980	667,441	683,549	700,467	718,255	736,344	754,419	$657,198
5	378	MEAS & REG STATION EQUIP-GEN	0.036	88,939	90,672	92,424	94,194	95,982	97,788	99,614	101,482	103,394	105,324	107,272	109,239	111,224	$99,811
6	379	MEAS & REG STAT EQ-CITY GATE	0.035	208,941	212,145	215,478	218,973	222,516	226,068	229,628	233,196	236,805	240,554	244,448	248,412	252,412	$229,967
7	380	SERVICES (STEEL)	0.053	456,007	460,709	465,412	470,114	474,816	479,518	484,220	488,922	493,624	498,327	503,029	507,731	512,433	$484,220
8	380	SERVICES (PLASTIC)	0.055	296,243	305,234	314,417	323,793	333,361	343,120	353,072	363,217	373,553	384,081	394,802	405,714	416,819	$354,417
9	381	METERS	0.045	424,794	428,766	432,783	436,845	440,950	445,099	449,293	453,531	457,813	462,139	466,509	470,923	475,382	$449,602
10	382	METER INSTALLATIONS	0.035	147,327	149,319	151,373	153,488	155,664	157,902	160,201	162,562	164,984	167,468	170,013	172,619	175,287	$160,631
11	383	HOUSE REGULATORS	0.036	202,800	204,968	207,163	209,394	211,660	213,940	216,248	218,585	220,935	223,314	225,720	228,141	230,576	$216,419
12	384	HOUSE REGULATORS INSTALL.	0.032	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
13	385	INDUSTRIAL M&R STAT. EQUIP.	0.040	245,876	250,077	254,306	258,563	262,847	267,159	271,499	275,866	280,313	284,851	289,426	294,051	298,725	$271,812
14	388	OTHER PROP ON CUST PREMISES	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
15	386.01	OTHER PROP-CUST PREM-A/C&B	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
16	386.02	OTHER PROP-CUST PREM-W HEA	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
17	386.03	OTHER PROP-CUST PREM-SCH A	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
18	387	OTHER EQUIPMENT	0.168	111,053	114,885	118,927	123,212	127,583	131,977	136,395	140,813	145,231	149,649	154,067	158,485	162,903	$136,552
19	389	LAND	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
20	390	STRUCTURES & IMPROVEMENTS	0.023	84,603	85,244	85,885	86,526	87,167	87,808	88,449	89,090	89,731	90,371	91,012	91,653	92,293	$88,449
21	391.01	DATA PROCESSING EQUIPMENT	0.143	47,412	48,984	50,581	52,194	53,821	55,463	57,120	58,792	60,478	62,180	63,896	65,628	67,374	$57,225
22	391.02	OFFICE FURNITURE	0.058	34,090	34,546	35,069	35,625	36,194	36,775	37,369	37,974	38,591	39,220	39,862	40,515	41,175	$37,462
23	391.03	OFFICE EQUIPMENT	0.094	28,518	29,122	29,726	30,331	30,935	31,539	32,143	32,747	33,352	33,956	34,560	35,164	35,769	$32,143
24	391.04	VAX SYSTEM EQUIPMENT	0.167	21,389	22,087	22,785	23,483	24,181	24,879	25,577	26,275	26,973	27,671	28,369	29,067	29,765	$25,577
25	392	AUTO & TRUCK	0.142	308,550	317,159	325,886	334,613	343,371	352,445	361,970	371,659	381,348	391,037	400,726	410,416	420,105	$363,022
26	392.03	OTHER TRANSPORTATION EQUIP	0.029	101,767	102,055	102,343	102,631	102,919	103,207	103,495	103,783	104,071	104,359	104,646	104,934	105,222	$103,495
27	393	STORES EQUIPMENT	0.040	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
28	394	TOOLS, SHOP, GARAGE EQUIP	0.053	25,857	26,202	26,551	26,905	27,263	27,623	27,984	28,348	28,713	29,082	29,455	29,831	30,207	$26,002
29	395	LABORATORY EQUIPMENT	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
30	396	POWER OPERATED EQUIPMENT	0.078	125,252	127,263	129,388	131,513	133,720	136,007	138,295	140,582	142,870	145,158	147,445	149,733	152,020	$138,404
31	397	COMMUNICATION EQUIPMENT	0.068	40,374	40,714	41,055	41,395	41,736	42,077	42,417	42,758	43,118	43,518	43,948	44,388	44,828	$42,487
32	398	MISC EQUIPMENT	0.074	13,124	13,421	13,717	14,014	14,310	14,607	14,903	15,200	15,497	15,793	16,090	16,386	16,683	$14,903
33		DEPRECIATION RESERVE		8,253,232	8,345,136	8,438,334	8,532,666	8,628,166	8,725,338	8,824,392	8,924,815	9,026,409	9,129,460	9,233,967	9,339,265	9,444,985	$8,834,320
34	108.02	R.W.I.P		0	0	0	0	0	0	0	0	0	0	0	0	0	$0
35	108	TOTAL DEPRECIATION RESERVE		$8,253,232	$8,345,136	$8,438,334	$8,532,666	$8,628,166	$8,725,338	$8,824,392	$8,924,815	$9,026,409	$9,129,460	$9,233,967	$9,339,265	$9,444,985	$8,834,320

SUPPORTING SCHEDULES:

RECAP SCHEDULES: G-1 p.5

SCHEDULE G-1 | DEPRECIATION RESERVE BALANCES | PAGE 12 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE DEPRECIATION RESERVE BALANCES FOR EACH ACCOUNT OR SUB-ACCOUNT TO WHICH AN INDIVIDUAL DEPRECIATION RATE IS APPLIED FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN
PROJECTED TES YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	A/C NO.	DESCRIPTION	Depr Rates	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	13 MONTH AVERAGE
1	362	GAS HOLDERS	0.000	$517,022	$517,948	$518,874	$519,800	$520,726	$521,652	$522,578	$523,504	$524,430	$525,356	$526,282	$527,208	$528,134	$522,578
2	375	STRUCTURES & IMPROVEMENTS	0.030	$51,837	52,436	53,040	53,649	54,264	54,884	55,509	56,139	56,775	57,415	58,061	58,712	59,368	$55,545
3	376	MAINS (STEEL)	0.032	$4,450,506	4,478,357	4,506,209	4,534,061	4,561,913	4,589,764	4,617,616	4,645,468	4,673,320	4,701,171	4,729,023	4,756,875	4,764,726	$4,617,616
4	376	MAINS (PLASTIC)	0.035	$754,419	772,775	791,458	810,466	829,801	849,463	869,450	889,763	910,403	931,369	952,661	974,280	996,224	$871,733
5	378	MEAS & REG STATION EQUIP-GEN	0.036	$111,224	113,224	115,234	117,256	119,288	121,331	123,384	125,448	127,523	129,609	131,706	133,813	135,931	$123,459
6	379	MEAS & REG STAT EQ-CITY GATE	0.035	$252,412	256,416	260,424	264,433	268,445	272,460	276,477	280,496	284,518	288,542	292,569	296,598	300,629	$276,494
7	380	SERVICES (STEEL)	0.053	$512,433	517,135	521,837	526,539	531,242	535,944	540,646	545,348	550,050	554,752	559,454	564,157	568,859	$540,646
8	380	SERVICES (PLASTIC)	0.055	$416,819	428,139	439,697	451,494	463,530	475,803	488,315	501,066	514,055	527,282	540,748	554,452	568,395	$489,984
9	381	METERS	0.045	$475,382	479,890	484,453	489,071	493,743	498,471	503,253	508,091	512,983	517,930	522,931	527,988	533,099	$503,837
10	382	METER INSTALLATIONS	0.035	$175,287	178,019	180,816	183,680	186,609	189,805	192,666	195,793	198,986	202,246	205,571	208,962	212,419	$193,128
11	383	HOUSE REGULATORS	0.036	$230,576	233,038	235,523	238,038	240,580	243,150	245,746	248,371	251,023	253,702	256,408	259,143	261,904	$245,938
12	384	HOUSE REGULATORS INSTALL.	0.032	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
13	385	INDUSTRIAL M&R STAT. EQUIP.	0.040	$298,725	303,424	308,143	312,883	317,644	322,426	327,229	332,052	336,897	341,762	346,648	351,555	356,482	$327,375
14	386	OTHER PROP ON CUST PREMISES	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
15	386.01	OTHER PROP-CUST PREM-A/C&B	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
16	386.02	OTHER PROP-CUST PREM-W HEAT	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
17	386.03	OTHER PROP-CUST PREM-SCH AP	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
18	387	OTHER EQUIPMENT	0.168	$162,903	167,336	171,797	176,288	180,808	185,358	189,936	194,544	199,180	203,846	208,542	213,268	218,019	$190,140
19	389	LAND	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
20	390	STRUCTURES & IMPROVEMENTS	0.023	$92,293	92,931	93,569	94,207	94,845	95,484	96,122	96,760	97,398	98,036	98,674	99,313	99,949	$96,122
21	391.01	DATA PROCESSING EQUIPMENT	0.143	$67,374	69,128	70,891	72,671	74,476	76,295	78,129	79,978	81,842	83,721	85,615	87,524	89,432	$78,237
22	391.02	OFFICE FURNITURE	0.058	$41,175	41,834	42,495	43,158	43,824	44,492	45,162	45,835	46,511	47,188	47,868	48,551	49,235	$45,179
23	391.03	OFFICE EQUIPMENT	0.094	$35,769	36,373	36,977	37,581	38,185	38,790	39,394	39,998	40,602	41,207	41,811	42,415	43,019	$39,394
24	391.04	VAX SYSTEM EQUIPMENT	0.167	$29,765	30,463	31,161	31,859	32,556	33,254	33,952	34,650	35,348	36,046	36,744	37,442	38,140	$33,952
25	392	AUTO & TRUCK	0.142	$420,105	429,687	439,854	450,007	460,143	470,058	479,808	489,600	499,578	509,740	520,089	530,622	541,341	$480,064
26	392.03	OTHER TRANSPORTATION EQUIP	0.029	$105,222	105,510	105,798	106,086	106,374	106,662	108,950	107,238	107,526	107,814	108,101	108,389	108,677	$106,950
27	393	STORES EQUIPMENT	0.040	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
28	394	TOOLS, SHOP, GARAGE EQUIP	0.053	$30,207	30,587	30,968	31,353	31,740	32,129	32,521	32,916	33,313	33,713	34,115	34,520	34,928	$32,539
29	395	LABORATORY EQUIPMENT	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
30	396	POWER OPERATED EQUIPMENT	0.078	$152,020	154,320	156,644	158,993	161,366	163,763	166,185	168,631	171,101	173,596	176,115	178,658	181,226	$166,355
31	397	COMMUNICATION EQUIPMENT	0.068	$44,828	45,277	45,745	46,232	46,738	47,263	47,807	48,369	48,951	49,551	50,170	50,808	51,465	$47,939
32	398	MISC EQUIPMENT	0.074	$16,683	16,980	17,281	17,584	17,889	18,197	18,508	18,821	19,137	19,455	19,776	20,100	20,428	$18,526
33		DEPRECIATION RESERVE		9,444,985	9,551,425	9,658,890	9,767,390	9,876,731	9,986,696	10,097,344	10,208,880	10,321,449	10,435,050	10,549,684	10,665,350	10,782,031	$10,103,531
34	108.02	R.W.I.P		0	0	0	0	0	0	0	0	0	0	0	0	0	$0
35	108	TOTAL DEPRECIATION RESERVE		$9,444,985	$9,551,425	$9,658,890	$9,767,390	$9,876,731	$9,986,696	$10,097,344	$10,208,880	$10,321,449	$10,435,050	$10,549,684	$10,665,350	$10,782,031	$10,103,531

SUPPORTING SCHEDULES:

RECAP SCHEDULES: G-1 p.7

SCHEDULE G-1 | AMORTIZATION / RECOVERY RESERVE BALANCES | PAGE 13 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE AMORTIZATION/RECOVERY RESERVE BALANCES FOR EACH ACCOUNT OR SUB-ACCOUNT FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Dec-99	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	13 MONTH AVERAGE
1	111-301	Accum Amort-Organ. Costs-CFG	20,795	20,854	20,912	20,970	21,029	21,087	21,145	21,204	21,262	21,320	21,379	21,437	21,495	21,145
2	111-302	Accumulated Amort-CFG	5,355	5,391	5,426	5,461	5,496	5,532	5,567	5,602	5,638	5,673	5,708	5,744	5,779	5,567
3	101-303	Misc Intangible Plant	405,224	413,579	421,934	430,289	438,644	446,999	455,355	463,710	472,065	480,420	488,775	497,130	505,485	455,355
4	1145	Accum Amort-Acq Old-CFG	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543
5	115	Amort Acquis. Adj-CFG	478,247	481,077	483,907	486,738	489,568	492,398	495,228	498,058	500,888	503,718	506,548	509,422	509,422	495,017
6	1151	Amort Acquis. Adj-PCNG	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866
7			0	0	0	0	0	0	0	0	0	0	0	0	0	0
8			0	0	0	0	0	0	0	0	0	0	0	0	0	0
9			0	0	0	0	0	0	0	0	0	0	0	0	0	0
10			0	0	0	0	0	0	0	0	0	0	0	0	0	0
11			0	0	0	0	0	0	0	0	0	0	0	0	0	0
12		TOTAL	$ 1,033,031	$ 1,044,309	$ 1,055,588	$ 1,066,867	$ 1,078,146	$ 1,089,425	$ 1,100,704	$ 1,111,983	$ 1,123,262	$ 1,134,541	$ 1,145,819	$ 1,157,142	$ 1,165,591	$ 1,100,493

SUPPORTING SCHEDULES:

RECAP SCHEDULES: G-1 p.5

SCHEDULE G-1 | \MORTIZATION / RECOVERY RESERVE BALANCES | PAGE 14 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE AMORTIZATION/RECOVERY RESERVE BALANCES FOR EACH ACCOUNT OR SUB-ACCOUNT FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	13 MONTH AVERAGE
1	111-301	Accum Amort-Organ. Costs-CFG	21,495	21,554	21,612	21,670	21,729	21,787	21,845	21,904	21,962	22,020	22,079	22,137	22,195	21,845
2	111-302	Accumulated Amort-CFG	5,779	5,814	5,850	5,885	5,920	5,956	5,991	6,026	6,061	6,097	6,132	6,167	6,203	5,991
3	101-303	Misc Intangible Plant	505,485	513,841	522,196	530,551	538,906	547,261	555,616	563,971	572,326	580,682	589,037	597,392	605,747	555,616
4	1145	Accum Amort-Acq Old-CFG	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543
5	115	Amort Acquis. Adj-CFG	509,422	509,422	509,422	509,422	509,422	509,422	509,422	509,422	509,422	509,422	509,422	509,422	509,422	509,422
6	1151	Amort Acquis. Adj-PCNG	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866	117,866
7			0	0	0	0	0	0	0	0	0	0	0	0	0	0
8			0	0	0	0	0	0	0	0	0	0	0	0	0	0
9			0	0	0	0	0	0	0	0	0	0	0	0	0	0
10			0	0	0	0	0	0	0	0	0	0	0	0	0	0
11			0	0	0	0	0	0	0	0	0	0	0	0	0	0
12		TOTAL	$ 1,165,591	$ 1,174,040	$ 1,182,489	$ 1,190,937	$ 1,199,386	$ 1,207,835	$ 1,216,284	$ 1,224,732	$ 1,233,181	$ 1,241,630	$ 1,250,079	$ 1,258,527	$ 1,266,976	$ 1,216,283

SUPPORTING SCHEDULES:

RECAP SCHEDULES: G-1 p.7

SCHEDULE G-1 | ALLOCATION OF COMMON PLANT | PAGE 15 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE REGULATED AND NON-REGULATED ITEMS OF COMMON PLANT WITH THE 13 MONTH AVERAGE OF THE HISTORIC BASE YEAR + 1 SEGREGATED BY THE AMOUNTS ACCORDING TO REGULATED AND NON-REGULATED ITEMS. THE METHOD OF ALLOCATING BETWEEN REGULATED AND NON-REGULATED PORTIONS SHALL BE DESCRIBED.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

LINE NO.	A/C NO.	DESCRIPTION	Dec-99	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	13 MONTH AVERAGE
1	374	LAND	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635
2	375	STRUCTURES & IMPROVEMENTS	233,056	233,056	238,556	238,556	238,556	238,556	238,556	238,556	238,556	238,556	238,556	238,556	238,556	237,710
3	387	OTHER EQUIPMENT	269,950	277,476	299,978	312,173	312,173	315,573	315,573	315,573	315,573	315,573	315,573	315,573	315,573	307,410
4	389	LAND	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	96,285
5	390	STRUCTURES & IMPROVEMENTS	334,386	334,386	334,386	334,386	334,386	334,386	334,386	334,386	334,386	334,386	334,386	334,386	332,955	334,276
6	391	OFFICE FURN & EQUIPMENT	343,667	363,167	375,917	379,667	383,417	387,167	390,917	394,667	398,417	402,167	405,917	409,667	410,917	388,129
7	392	AUTOS & TRUCKS	836,652	856,652	856,652	856,652	861,850	910,093	937,943	937,943	937,943	937,943	937,943	937,943	937,943	903,396
8	394	TOOL, SHOP, & GARAGE EQUIP	77,215	78,977	79,394	80,811	81,227	81,644	82,061	82,477	82,894	84,311	84,727	85,144	85,561	82,034
9	396	POWER OPERATED EQUIPMENT	291,935	326,935	326,935	326,935	351,935	351,935	351,935	351,935	351,935	351,935	351,935	351,935	351,935	341,550
10	397	COMMUNICATION EQUIPMENT	60,110	60,110	60,110	60,110	60,110	60,110	60,110	60,110	67,110	74,110	77,610	77,610	77,610	65,764
11	398	MISC EQUIP (SPECIFY)	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083
12			0	0	0	0	0	0	0	0	0	0	0	0	0	0
13			0	0	0	0	0	0	0	0	0	0	0	0	0	0
14		TOTAL	$2,621,974	$2,705,763	$2,746,930	$2,764,294	$2,798,659	$2,854,469	$2,886,485	$2,890,652	$2,901,819	$2,913,985	$2,921,652	$2,925,819	$2,926,054	$2,835,273

			13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY	METHOD OF ALLOCATION
15	374	LAND	$28,635	0.0%	$0	
16	375	STRUCTURES & IMPROVEMENTS	$237,710	0.0%	$0	
17	387	OTHER EQUIPMENT	$307,410	0.0%	$0	
18	389	LAND	$98,285	0.0%	$0	
19	390	STRUCTURES & IMPROVEMENTS	$334,276	0.0%	$0	
20	391	OFFICE FURN & EQUIPMENT	$388,129	7.2%	$28,131	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
21	392	AUTOS & TRUCKS	$903,396	7.2%	$65,478	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
22	394	TOOL, SHOP, & GARAGE EQUIP	$82,034	0.0%	$0	
23	396	POWER OPERATED EQUIPMENT	$341,550	0.0%	$0	
24	397	COMMUNICATION EQUIPMENT	$65,764	7.2%	$4,767	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
25	398	MISC EQUIP (SPECIFY)	$48,083	0.0%	$0	
26			$0	0.0%	$0	
27			$0	0.0%	$0	
28		TOTAL	$2,835,273		$98,376	

SUPPORTING SCHEDULES: G-1 p.16-17, G-6 p.1

RECAP SCHEDULES: G-1 p.1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR + 1. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT UTILITY	PLANT NON-UTILITY	PLANT TOTAL	ACCUMULATED DEPRECIATION/AMORTIZATION UTILITY	ACCUMULATED DEPRECIATION/AMORTIZATION NON-UTILITY	ACCUMULATED DEPRECIATION/AMORTIZATION TOTAL	BASIS FOR ALLOCATION
1	374		0	0	0	0	0	0	
2	374		0	0	0	0	0	0	
3	374		0	0	0	0	0	0	
4	374		0	0	0	0	0	0	
5	374		0	0	0	0	0	0	
6	374		0	0	0	0	0	0	
7	374		0	0	0	0	0	0	
8	374		0	0	0	0	0	0	
9	374		0	0	0	0	0	0	
10	374		0	0	0	0	0	0	
11	374		0	0	0	0	0	0	
12	374		0	0	0				
13	374	TOTAL	0	0	0	0	0	0	
14	375		0	0	0	0	0	0	
15	375		0	0	0	0	0	0	
16	375		0	0	0	0	0	0	
17	375		0	0	0	0	0	0	
18	375		0	0	0	0	0	0	
19	375		0	0	0	0	0	0	
20	375		0	0	0	0	0	0	
21	375		0	0	0	0	0	0	
22	375		0	0	0	0	0	0	
23	375		0	0	0	0	0	0	
24	375	TOTAL	0	0	0	0	0	0	

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-1 p.15

SCHEDULE G-1 | DETAIL OF COMMON PLANT | PAGE 17 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR + 1. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASI

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT UTILITY	PLANT NON-UTILITY	PLANT TOTAL	ACCUMULATED DEPRECIATION/AMORTIZATION UTILITY	ACCUMULATED DEPRECIATION/AMORTIZATION NON-UTILITY	ACCUMULATED DEPRECIATION/AMORTIZATION TOTAL	BASIS FOR ALLOCATION
1	389		0	0	0	0	0	0	
2	389		0	0	0	0	0	0	
3	389		0	0	0				
4	389	TOTAL	0	0	0	0	0	0	
5	390		0	0	0	0	0	0	
6	390		0	0	0	0	0	0	
7	390		0	0	0	0	0	0	
8	390		0	0	0	0	0	0	
9	390		0	0	0	0	0	0	
10	390		0	0	0	0	0	0	
11	390	TOTAL	0	0	0	0	0	0	
12	390.02		0	0	0	0	0	0	
13	390.02		0	0	0	0	0	0	
14	390.02		0	0	0	0	0	0	
15	390.02		0	0	0	0	0	0	
16	390.02		0	0	0	0	0	0	
17	390.02		0	0	0	0	0	0	
18	390.02		0	0	0	0	0	0	
19	390.02		0	0	0	0	0	0	
20	390.02		0	0	0	0	0	0	
21	390.02	TOTAL	0	0	0	0	0	0	

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-1 p.15

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE REGULATED AND NON-REGULATED ITEMS OF COMMON PLANT WITH THE 13 MONTH AVERAGE OF THE PROJECTED TEST YEAR SEGREGATED BY THE AMOUNTS ACCORDING TO REGULATED AND NON-REGULATED ITEMS. THE METHOD OF ALLOCATING BETWEEN REGULATED AND NON-REGULATED PORTIONS SHALL BE DESCRIBED.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	A/C NO.	DESCRIPTION	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	13 MONTH AVERAGE
1	374	LAND	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635	$28,635
2	375	STRUCTURES & IMPROVEMENTS	238,556	240,640	242,723	244,806	246,890	248,973	251,056	253,140	255,223	257,306	259,390	261,473	263,556	251,056
3	387	OTHER EQUIPMENT	315,573	317,657	319,740	321,823	323,907	325,990	328,073	330,156	332,240	334,323	336,406	338,490	340,573	328,073
4	389	LAND	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285	98,285
5	390	STRUCTURES & IMPROVEMENTS	332,955	332,955	332,955	332,955	332,955	332,955	332,955	332,955	332,955	332,955	332,955	332,955	331,381	332,834
6	391	OFFICE FURN & EQUIPMENT	410,917	410,917	412,917	414,917	417,917	418,417	421,417	421,917	424,917	425,417	428,417	428,917	428,917	420,456
7	392	AUTOS & TRUCKS	937,943	953,610	969,276	984,943	966,618	947,409	938,792	954,459	970,125	985,792	1,001,459	1,017,125	1,032,792	973,873
8	394	TOOL, SHOP, & GARAGE EQUIP	85,561	86,144	86,727	87,311	87,894	88,477	89,061	89,644	90,227	90,811	91,394	91,977	92,561	89,061
9	396	POWER OPERATED EQUIPMENT	351,935	355,685	359,435	363,185	366,935	370,685	374,435	378,185	381,935	385,685	389,435	393,185	396,935	374,435
10	397	COMMUNICATION EQUIPMENT	77,610	80,944	84,277	87,610	90,944	94,277	97,610	100,944	104,277	107,610	110,944	114,277	117,610	97,610
11	398	MISC EQUIP (SPECIFY)	48,083	48,500	48,917	49,333	49,750	50,167	50,583	51,000	51,417	51,833	52,250	52,667	53,083	50,583
12			0	0	0	0	0	0	0	0	0	0	0	0	0	0
13			0	0	0	0	0	0	0	0	0	0	0	0	0	0
14		TOTAL	$2,926,054	$2,953,971	$2,983,888	$3,013,804	$3,010,729	$3,004,271	$3,010,903	$3,039,320	$3,070,237	$3,098,653	$3,129,570	$3,157,987	$3,184,329	$3,044,901

			13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY	METHOD OF ALLOCATION
15	374	LAND	$28,635	0.0%	$0	
16	375	STRUCTURES & IMPROVEMENTS	$251,056	0.0%	$0	
17	387	OTHER EQUIPMENT	$328,073	0.0%	$0	
18	389	LAND	$98,285	0.0%	$0	
19	390	STRUCTURES & IMPROVEMENTS	$332,834	0.0%	$0	
20	391	OFFICE FURN & EQUIPMENT	$420,456	7.2%	$30,474	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
21	392	AUTOS & TRUCKS	$973,873	7.2%	$70,586	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
22	394	TOOL, SHOP, & GARAGE EQUIP	$89,061	0.0%	$0	
23	396	POWER OPERATED EQUIPMENT	$374,435	0.0%	$0	
24	397	COMMUNICATION EQUIPMENT	$97,610	7.2%	$7,075	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
25	398	MISC EQUIP (SPECIFY)	$50,583	0.0%	$0	
26			$0	0.0%	$0	
27			$0	0.0%	$0	
28		TOTAL	$3,044,901		$108,135	

SUPPORTING SCHEDULES: G-1 p.19-20, G-6 p.1

RECAP SCHEDULES: G-1 p.1, G-1 p.4

SCHEDULE G-1 | DETAIL OF COMMON PLANT | PAGE 19 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE PROJECTED TEST YEAR. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT UTILITY	PLANT NON-UTILITY	PLANT TOTAL	ACCUMULATED DEPRECIATION/AMORTIZATION UTILITY	ACCUMULATED DEPRECIATION/AMORTIZATION NON-UTILITY	ACCUMULATED DEPRECIATION/AMORTIZATION TOTAL	BASIS FOR ALLOCATION
1	374		0	0	0	0	0	0	
2	374		0	0	0	0	0	0	
3	374		0	0	0	0	0	0	
4	374		0	0	0	0	0	0	
5	374		0	0	0	0	0	0	
6	374		0	0	0	0	0	0	
7	374		0	0	0	0	0	0	
8	374		0	0	0	0	0	0	
9	374		0	0	0	0	0	0	
10	374		0	0	0	0	0	0	
11	374		0	0	0	0	0	0	
12	374		0	0	0				
13	374	TOTAL	0	0	0	0	0	0	
14	375		0	0	0	0	0	0	
15	375		0	0	0	0	0	0	
16	375		0	0	0	0	0	0	
17	375		0	0	0	0	0	0	
18	375		0	0	0	0	0	0	
19	375		0	0	0	0	0	0	
20	375		0	0	0	0	0	0	
21	375		0	0	0	0	0	0	
22	375		0	0	0	0	0	0	
23	375		0	0	0	0	0	0	
24	375	TOTAL	0	0	0	0	0	0	

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-1 p.18

5/10/00
11:12 AM

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE PROJECTED TEST YEAR. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASI

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT UTILITY	PLANT NON-UTILITY	PLANT TOTAL	ACCUMULATED DEPRECIATION/AMORTIZATION UTILITY	ACCUMULATED DEPRECIATION/AMORTIZATION NON-UTILITY	ACCUMULATED DEPRECIATION/AMORTIZATION TOTAL	BASIS FOR ALLOCATION
1	389		0	0	0	0	0	0	
2	389		0	0	0	0	0	0	
3	389		0	0	0				
4	389	TOTAL	0	0	0	0	0	0	
5	390		0	0	0	0	0	0	
6	390		0	0	0	0	0	0	
7	390		0	0	0	0	0	0	
8	390		0	0	0	0	0	0	
9	390		0	0	0	0	0	0	
10	390		0	0	0	0	0	0	
11	390	TOTAL	0	0	0	0	0	0	
12	390.02		0	0	0	0	0	0	
13	390.02		0	0	0	0	0	0	
14	390.02		0	0	0	0	0	0	
15	390.02		0	0	0	0	0	0	
16	390.02		0	0	0	0	0	0	
17	390.02		0	0	0	0	0	0	
18	390.02		0	0	0	0	0	0	
19	390.02		0	0	0	0	0	0	
20	390.02		0	0	0	0	0	0	
21	390.02	TOTAL	0	0	0	0	0	0	

SCHEDULE G-1 | ALLOCATION OF DEPRECIATION/AMORTIZATION RESERVE - COMMON PLANT | PAGE 21 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE SAME DATA AS REQUIRED IN SCHEDULE G-1, PAGE 15 OF 28, FOR DEPRECIATION/AMORTIZATION RESERVE FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Dec-99	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	13 MONTH AVERAGE
1	374	LAND	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	375	STRUCTURES & IMPROVEMENTS	44,701	45,283	45,873	46,469	47,066	47,662	48,258	48,855	49,451	50,048	50,644	51,240	51,837	48,261
3	367	OTHER EQUIPMENT	111,053	114,885	118,927	123,212	127,583	131,977	136,395	140,813	145,231	149,649	154,067	158,485	162,903	136,552
4	389	LAND	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	390	STRUCTURES & IMPROVEMENTS	84,603	85,244	85,885	86,526	87,167	87,808	88,449	89,090	89,731	90,371	91,012	91,653	92,293	88,449
6	391	OFFICE FURN & EQUIPMENT	131,409	134,739	138,161	141,633	145,131	148,656	152,208	155,788	159,394	163,027	166,687	170,374	174,082	152,407
7	392	AUTOS & TRUCKS	410,317	419,214	428,229	437,244	446,290	455,652	465,464	475,441	485,419	495,396	505,373	515,350	525,327	466,517
8	394	TOOL, SHOP, & GARAGE EQUIP	25,857	26,202	26,551	26,905	27,263	27,623	27,984	28,348	28,713	29,082	29,455	29,831	30,207	28,002
9	396	POWER OPERATED EQUIPMENT	125,252	127,263	129,388	131,513	133,720	136,007	138,295	140,582	142,870	145,158	147,445	149,733	152,020	138,404
10	397	COMMUNICATION EQUIPMENT	40,374	40,714	41,055	41,395	41,736	42,077	42,417	42,758	43,118	43,518	43,948	44,368	44,828	42,487
11	398	MISC EQUIP (SPECIFY)	13,124	13,421	13,717	14,014	14,310	14,607	14,903	15,200	15,497	15,793	16,090	16,366	16,683	14,903
12		TOTAL	986,690	1,006,965	1,027,787	1,048,912	1,070,265	1,092,069	1,114,375	1,136,874	1,159,423	1,182,042	1,204,722	1,227,440	1,250,180	1,115,980

			13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY	METHOD OF ALLOCATION
13	374	LAND	$0	0.0%	$0	
14	375	STRUCTURES & IMPROVEMENTS	$48,261	0.0%	$0	
15	367	OTHER EQUIPMENT	$136,552	0.0%	$0	
16	389	LAND	$0	0.0%	$0	
17	390	STRUCTURES & IMPROVEMENTS	$88,449	0.0%	$0	
18	391	OFFICE FURN & EQUIPMENT	$152,407	7.2%	$11,046	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
19	392	AUTOS & TRUCKS	$466,517	7.2%	$33,813	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
20	394	TOOL, SHOP, & GARAGE EQUIP	$28,002	0.0%	$0	
21	396	POWER OPERATED EQUIPMENT	$138,404	0.0%	$0	
22	397	COMMUNICATION EQUIPMENT	$42,487	7.2%	$3,079	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
23	398	MISC EQUIP (SPECIFY)	$14,903	0.0%	$0	
24		TOTAL	$1,115,980		$47,939	

SUPPORTING SCHEDULES: G-1 p.11

RECAP SCHEDULES: G-1 p.1

SCHEDULE G-1 | ALLOCATION OF DEPRECIATION/AMORTIZATION RESERVE - COMMON PLANT | PAGE 22 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE SAME DATA AS REQUIRED IN SCHEDULE G-1, PAGE 18 OF 28, FOR DEPRECIATION/AMORTIZATION RESERVE BALANCES FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	13 MONTH AVERAGE
1	374	LAND	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	375	STRUCTURES & IMPROVEMENTS	51,837	52,436	53,040	53,649	54,264	54,884	55,509	56,139	56,775	57,415	58,061	58,712	59,368	55,545
3	387	OTHER EQUIPMENT	162,903	167,336	171,797	176,288	180,808	185,358	189,936	194,544	199,180	203,846	208,542	213,266	218,019	190,140
4	389	LAND	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	390	STRUCTURES & IMPROVEMENTS	92,293	92,931	93,569	94,207	94,845	95,484	96,122	96,760	97,398	98,036	98,674	99,313	99,949	96,122
6	391	OFFICE FURN & EQUIPMENT	174,082	177,798	181,523	185,269	189,042	192,831	196,638	200,462	204,303	208,162	212,038	215,932	219,826	196,762
7	392	AUTOS & TRUCKS	525,327	535,397	545,652	556,093	566,517	576,720	586,758	596,838	607,103	617,554	628,190	639,011	650,018	587,014
8	394	TOOL, SHOP, & GARAGE EQUIP	30,207	30,587	30,968	31,353	31,740	32,129	32,521	32,916	33,313	33,713	34,115	34,520	34,928	32,539
9	396	POWER OPERATED EQUIPMENT	152,020	154,320	156,644	158,993	161,366	163,763	166,185	168,631	171,101	173,596	176,115	178,658	181,226	166,355
10	397	COMMUNICATION EQUIPMENT	44,828	45,277	45,745	46,232	46,738	47,263	47,807	48,369	48,951	49,551	50,170	50,806	51,465	47,939
11	398	MISC EQUIP (SPECIFY)	16,683	16,980	17,281	17,584	17,889	18,197	18,508	18,821	19,137	19,455	19,776	20,100	20,426	18,526
12		TOTAL	1,250,180	1,273,061	1,296,220	1,319,668	1,343,209	1,366,629	1,389,983	1,413,480	1,437,262	1,461,329	1,485,682	1,510,320	1,535,226	1,390,942

			13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY	METHOD OF ALLOCATION
13	374	LAND	$0	0.0%	$0	
14	375	STRUCTURES & IMPROVEMENTS	$55,545	0.0%	$0	
15	387	OTHER EQUIPMENT	$190,140	0.0%	$0	
16	389	LAND	$0	0.0%	$0	
17	390	STRUCTURES & IMPROVEMENTS	$96,122	0.0%	$0	
18	391	OFFICE FURN & EQUIPMENT	$196,762	7.2%	$14,261	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
19	392	AUTOS & TRUCKS	$587,014	7.2%	$42,547	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
20	394	TOOL, SHOP, & GARAGE EQUIP	$32,539	0.0%	$0	
21	396	POWER OPERATED EQUIPMENT	$166,355	0.0%	$0	
22	397	COMMUNICATION EQUIPMENT	$47,939	7.2%	$3,475	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
23	398	MISC EQUIP (SPECIFY)	$18,526	0.0%	$0	
24		TOTAL	$1,390,942		$60,282	

SUPPORTING SCHEDULES: G-1 p.12

RECAP SCHEDULES: G-1 p.1, G-1 p.4

SCHEDULE G-1 CALCULATION OF THE PROJECTED TEST YEAR - RATE BASE PAGE 23 OF 28

FLORIDA PUBLIC SERVICE COMMISSION
EXPLANATION: PROVIDE A DETAILED CONSTRUCTION BUDGET FOR THE HISTORIC BASE YEAR + 1.
TYPE OF DATA SHOWN:
HISTORIC BASE YEAR + 1: 12/31/00

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
WITNESS: GEOFFROY

DOCKET NO.: 000108-GU

LINE NO.	ACCT. NO.	ESCRIPTION OF PROPOSED PURCHASES AND / OR CONSTRUCTION PROJECTS*	DATE OF PROPOSED PURCHASE OR CONSTR. (12/31/00)	PURCHASE PRICE OR CONSTRUCTION COST	DATE OF RELATED RETIREMENT (12/31/00)	RETIREMENT AMOUNT OF RELATED RETIREMENT	SALVAGE VALUE OF RELATED RETIREMENT
1	375	BUILDINGS & IMPROVEMENTS	12 months ended 12/31/00	$5,500			
2	376	MAINS - NEW	12 months ended 12/31/00	$2,002,079			
3	376	MAINS - REPLACEMENT	12 months ended 12/31/00	$176,500			
4	376	MAINS - REINFORCEMENT	12 months ended 12/31/00	$71,625			
5		RETIREMENTS			12 months ended 12/31/00	12,698	
6	378	M & R - GENERAL	12 months ended 12/31/00	96,587			
7		RETIREMENTS			12 months ended 12/31/00	6,392	
8	379	M & R - CITY GATE	12 months ended 12/31/00	275,766			
9	380	SERVICES - 1/2"	12 months ended 12/31/00	367,500			
10	380	SERVICES - 1"	12 months ended 12/31/00	125,000			
11	380	SERVICES - 2"	12 months ended 12/31/00	25,000			
12	380	SERVICES - >2"	12 months ended 12/31/00	10,000			
13		RETIREMENTS			12 months ended 12/31/00	24,470	
14	381	METERS - 275 & UNDER	12 months ended 12/31/00	73,500			
15	381	METERS - OVER 275	12 months ended 12/31/00	75,504			
16	381	OTHER METER DEVICES	12 months ended 12/31/00	0			
17		RETIREMENTS			12 months ended 12/31/00	7,677	
18	382	METER INSTALLATIONS	12 months ended 12/31/00	258,750			
19		RETIREMENTS			12 months ended 12/31/00	6,018	
20	383	REGULATORS - 1" & UNDER	12 months ended 12/31/00	33,600			
21	383	REGULATORS - OVER 1"	12 months ended 12/31/00	65,500			
22		RETIREMENTS			12 months ended 12/31/00	518	
23	385	M & R - INDUSTRIAL	12 months ended 12/31/00	150,085			
24	387	OTHER EQUIPMENT	12 months ended 12/31/00	45,624			
25	391	OFFICE EQUIPMENT	12 months ended 12/31/00	67,250			
26	392	TRANSPORTATION EQUIPMENT	12 months ended 12/31/00	185,974			
27		RETIREMENTS			12 months ended 12/31/00	84,683	
28	394	TOOLS, SHOP, & GARAGE EQUIPMENT	12 months ended 12/31/00	8,346			
29	396	POWER OPERATED EQUIPMENT	12 months ended 12/31/00	60,000			
30	397	COMMUNICATIONS EQUIPMENT	12 months ended 12/31/00	17,500			
31	398	MISCELLANEOUS EQUIPMENT	12 months ended 12/31/00	0			
32	390	STRUCTURES & IMPROVEMENTS	12 months ended 12/31/00	0			
33		RETIREMENTS			12 months ended 12/31/00	1,431	
34			TOTAL	4,197,189		143,887	

* PROVIDE THE STREET ADDRESS OR BUDGETARY PROCESS IF DETAIL IS NOT AVAILABLE.

SCHEDULE G-1 | MONTHLY PLANT ADDITIONS | PAGE 24 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE MONTHLY PLANT ADDITIONS BY ACCOUNT FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR + 1: 12/31/00
WITNESS: GEOFFROY

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	TOTAL
1	375	BUILDINGS & IMPROVEMENTS	0	5,500	0	0	0	0	0	0	0	0	0	0	5,500
2	376	MAINS - NEW	71,320	71,320	90,120	197,245	301,985	301,985	176,060	246,922	287,997	287,997	(102,192)	71,320	2,002,079
3	376	MAINS - REPLACEMENT	7,208	7,208	7,208	37,208	37,208	37,208	7,208	7,208	7,208	7,208	7,208	7,208	176,500
4	376	MAINS - REINFORCEMENT	4,167	11,375	11,375	11,375	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	71,625
5	378	M & R - GENERAL	6,667	6,667	6,667	6,667	6,667	6,667	23,254	6,667	6,667	6,667	6,667	6,667	96,587
6	379	M & R - CITY GATE	2,817	84,649	29,193	2,818	2,817	2,818	2,818	24,639	72,137	26,826	21,416	2,818	275,766
7	380	SERVICES - 1/2"	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	367,500
8	380	SERVICES - 1"	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	125,000
9	380	SERVICES - 2"	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	25,000
10	380	SERVICES - >2"	833	633	833	833	833	833	833	833	833	833	633	833	10,000
11	381	METERS - 275 & UNDER	6,125	6,125	6,125	6,125	6,125	6,125	6,125	6,125	6,125	6,125	6,125	6,125	73,500
12	381	METERS - OVER 275	6,292	6,292	6,292	6,292	6,292	6,292	6,292	6,292	6,292	6,292	6,292	6,292	75,504
13	381	OTHER METER DEVICES	0	0	0	0	0	0	0	0	0	0	0	0	0
14	382	METER INSTALLATIONS	21,563	21,563	21,563	21,563	21,563	21,563	21,563	21,563	21,563	21,563	21,563	21,563	258,750
15	383	REGULATORS - 1" & UNDER	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	33,600
16	383	REGULATORS - OVER 1"	6,750	4,250	13,750	4,250	0	13,000	0	4,250	8,750	4,250	0	4,250	65,500
17	385	M & R - INDUSTRIAL	6,268	8,268	8,268	8,268	8,268	8,268	8,268	40,018	14,221	8,268	21,434	8,268	150,085
18	387	OTHER EQUIPMENT	7,526	22,500	12,198	0	3,400	0	0	0	0	0	0	0	45,624
19	391.01	DATA PROCESSING EQUIPMENT	3,000	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	16,750
20	391.02	OFFICE FURNITURE	16,500	11,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	0	50,500
21	391.03	OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
22	391.04	VAX SYSTEM EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
23	392	TRANSPORTATION EQUIPMENT	20,000	0	0	36,100	79,948	49,926	0	0	0	0	0	0	185,974
24	394	TOOLS, SHOP, & GARAGE EQUIPMEI	1,762	417	1,417	417	417	417	417	417	1,417	417	417	417	8,348
25	396	POWER OPERATED EQUIPMENT	35,000	0	0	25,000	0	0	0	0	0	0	0	0	60,000
26	397	COMMUNICATIONS EQUIPMENT	0	0	0	0	0	0	0	7,000	7,000	3,500	0	0	17,500
27	398	MISCELLANEOUS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
28	390	STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
29		TOTAL ADDITIONS	273,723	315,642	264,683	413,836	529,364	508,943	306,679	425,775	494,051	433,787	43,604	187,103	4,197,189

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-1 p.23

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE MONTHLY PLANT RETIREMENTS BY ACCOUNT FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR + 1: 12/31/00
WITNESS: GEOFFROY

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	TOTAL
1	375	BUILDINGS & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
2	376	MAINS	1,060	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	12,698
3	378	M & R - GENERAL	529	533	533	533	533	533	533	533	533	533	533	533	6,392
4	379	M & R - CITY GATE	0	0	0	0	0	0	0	0	0	0	0	0	0
5	380	SERVICES	2,041	2,039	2,039	2,039	2,039	2,039	2,039	2,039	2,039	2,039	2,039	2,039	24,470
6	381	METERS	637	640	640	640	640	640	640	640	640	640	640	640	7,677
7	382	METER INSTALLATIONS	496	502	502	502	502	502	502	502	502	502	502	502	6,018
8	383	REGULATORS	45	43	43	43	43	43	43	43	43	43	43	43	518
9	385	M & R - INDUSTRIAL	0	0	0	0	0	0	0	0	0	0	0	0	0
10	387	OTHER EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
11	391.01	DATA PROCESSING EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
12	391.02	OFFICE FURNITURE	0	0	0	0	0	0	0	0	0	0	0	0	0
13	391.03	OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
14	391.04	VAX SYSTEM EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
15	392	TRANSPORTATION EQUIPMENT	0	0	0	30,902	31,705	22,076	0	0	0	0	0	0	84,683
16	394	TOOLS, SHOP, & GARAGE EQUIPME	0	0	0	0	0	0	0	0	0	0	0	0	0
17	396	POWER OPERATED EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
18	397	COMMUNICATIONS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
19	398	MISCELLANEOUS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
20	390	STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	1,431	1,431
21		TOTAL RETIREMENTS	4,608	4,815	4,815	35,717	36,520	26,891	4,815	4,815	4,815	4,815	4,815	6,246	143,887

SUPPORTING SCHEDULES: G-6 P.1

RECAP SCHEDULES: G-1 p.23

SCHEDULE G-1 | CALCULATION OF THE PROJECTED TEST YEAR - RATE BASE | PAGE 26 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A DETAILED CONSTRUCTION BUDGET FOR THE TYPE OF DATA SHOWN:
PROJECTED TEST YEAR.

PROJECTED TEST YEAR: 12/31/01

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

WITNESS: GEOFFROY

DOCKET NO 000108-GU

LINE NO.	ACCT. NO.	DESCRIPTION OF PROPOSED PURCHASES AND / OR CONSTRUCTION PROJECTS*	DATE OF PROPOSED PURCHASE OR CONSTR. (12/31/01)	PURCHASE PRICE OR CONSTRUCTION COST	DATE OF RELATED RETIREMENT (12/31/01)	RETIREMENT AMOUNT OF RELATED RETIREMENT	SALVAGE VALUE OF RELATED RETIREMENT
1	375	BUILDINGS & IMPROVEMENTS	12 months ended 12/31/01	$25,000			
2	376	MAINS - NEW	12 months ended 12/31/01	936,018			
3	376	MAINS - REPLACEMENT	12 months ended 12/31/01	350,000			
4	376	MAINS - REINFORCEMENT	12 months ended 12/31/01	70,000			
5		RETIREMENTS			12 months ended 12/31/01	13,968	
6	378	M & R - GENERAL	12 months ended 12/31/01	50,000			
7		RETIREMENTS			12 months ended 12/31/01	7,031	
8	379	M & R - CITY GATE	12 months ended 12/31/01	10,000			
9	380	SERVICES - 1/2"	12 months ended 12/31/01	494,900			
10	380	SERVICES - 1"	12 months ended 12/31/01	126,250			
11	380	SERVICES - 2"	12 months ended 12/31/01	20,000			
12	380	SERVICES - >2"	12 months ended 12/31/01	10,000			
13		RETIREMENTS			12 months ended 12/31/01	26,917	
14	381	METERS - 275 & UNDER	12 months ended 12/31/01	98,980			
15	381	METERS - OVER 275	12 months ended 12/31/01	75,000			
16	381	OTHER METER DEVICES	12 months ended 12/31/01	10,000			
17		RETIREMENTS			12 months ended 12/31/01	8,445	
18	382	METER INSTALLATIONS	12 months ended 12/31/01	278,000			
19		RETIREMENTS			12 months ended 12/31/01	6,620	
20	383	REGULATORS - 1" & UNDER	12 months ended 12/31/01	44,800			
21	383	REGULATORS - OVER 1"	12 months ended 12/31/01	65,500			
22		RETIREMENTS			12 months ended 12/31/01	570	
23	385	M & R - INDUSTRIAL	12 months ended 12/31/01	75,000			
24	387	OTHER EQUIPMENT	12 months ended 12/31/01	25,000			
25	391	OFFICE EQUIPMENT	12 months ended 12/31/01	18,000			
26	392	TRANSPORTATION EQUIPMENT	12 months ended 12/31/01	188,000			
27		RETIREMENTS			12 months ended 12/31/01	93,151	
28	394	TOOLS, SHOP, & GARAGE EQUIPMENT	12 months ended 12/31/01	7,000			
29	396	POWER OPERATED EQUIPMENT	12 months ended 12/31/01	45,000			
30	397	COMMUNICATIONS EQUIPMENT	12 months ended 12/31/01	40,000			
31	398	MISCELLANEOUS EQUIPMENT	12 months ended 12/31/01	5,000			
32	390	STRUCTURES & IMPROVEMENTS	12 months ended 12/31/01	0			
33		RETIREMENTS			12 months ended 12/31/01	1,574	
34			TOTAL	$3,067,448		$158,276	

* PROVIDE THE STREET ADDRESS OR BUDGETARY PROCESS IF DETAIL IS NOT AVAILABLE.

SUPPORTING SCHEDULES: G-1 p.27-28, G-6 p.1

RECAP SCHEDULES: G-1 p.10

SCHEDULE G-1 | MONTHLY PLANT ADDITIONS | PAGE 27 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE MONTHLY PLANT ADDITIONS BY ACCOUNT FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: GEOFFROY

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	TOTAL
1	375	BUILDINGS & IMPROVEMENTS	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	25,000
2	376	MAINS - NEW	78,001	78,002	78,001	78,002	78,001	78,002	78,001	78,002	78,001	78,002	78,001	78,002	936,018
3	376	MAINS - REPLACEMENT	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,163	350,000
4	376	MAINS - REINFORCEMENT	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	70,000
5	378	M & R - GENERAL	4,167	4,167	4,167	4,167	4,167	4,167	4,187	4,167	4,167	4,167	4,167	4,167	50,000
6	379	M & R - CITY GATE	833	833	834	833	833	834	833	833	834	833	833	834	10,000
7	380	SERVICES - 1/2"	41,242	41,242	41,242	41,242	41,242	41,242	41,242	41,242	41,242	41,242	41,242	41,242	494,900
8	380	SERVICES - 1"	10,521	10,521	10,521	10,521	10,521	10,521	10,521	10,521	10,521	10,521	10,521	10,521	126,250
9	380	SERVICES - 2"	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000
10	380	SERVICES - >2"	833	833	833	833	833	833	833	833	833	833	833	833	10,000
11	381	METERS - 275 & UNDER	8,248	8,248	8,248	8,248	8,248	8,248	8,248	8,248	8,248	8,248	8,248	8,248	98,980
12	381	METERS - OVER 275	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000
13	381	OTHER METER DEVICES	833	833	833	833	833	833	833	833	833	833	833	833	10,000
14	382	METER INSTALLATIONS	23,167	23,167	23,167	23,167	23,167	23,167	23,167	23,167	23,167	23,167	23,167	23,163	278,000
15	383	REGULATORS - 1" & UNDER	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	44,800
16	383	REGULATORS - OVER 1"	5,458	5,458	5,458	5,458	5,458	5,458	5,458	5,458	5,458	5,458	5,458	5,458	65,500
17	385	M & R - INDUSTRIAL	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000
18	387	OTHER EQUIPMENT	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	25,000
19	391.01	DATA PROCESSING EQUIPMENT	0	1,500	1,500	2,500	0	2,500	0	2,500	0	2,500	0	0	13,000
20	391.02	OFFICE FURNITURE	0	500	500	500	500	500	500	500	500	500	500	0	5,000
21	391.03	OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
22	391.04	VAX SYSTEM EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
23	392	TRANSPORTATION EQUIPMENT	15,667	15,667	15,667	15,667	15,667	15,667	15,667	15,667	15,667	15,667	15,667	15,667	188,000
24	394	TOOLS, SHOP, & GARAGE EQUIPMEI	583	583	583	583	583	583	583	583	583	583	583	583	7,000
25	396	POWER OPERATED EQUIPMENT	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000
26	397	COMMUNICATIONS EQUIPMENT	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	40,000
27	398	MISCELLANEOUS EQUIPMENT	417	417	417	417	417	417	417	417	417	417	417	417	5,000
28	390	STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
29		TOTAL ADDITIONS	254,120	256,121	256,121	257,121	254,620	257,122	254,620	257,121	254,621	257,121	254,620	254,114	3,067,448

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-1 p.26

SCHEDULE G-1 | MONTHLY PLANT RETIREMENTS | PAGE 28 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE MONTHLY PLANT RETIREMENTS BY ACCOUNT FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: GEOFFROY

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	TOTAL
1	375	BUILDINGS & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
2	376	MAINS	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	13,968
3	378	M & R - GENERAL	586	586	586	586	586	586	586	586	586	586	586	585	7,031
4	379	M & R - CITY GATE	0	0	0	0	0	0	0	0	0	0	0	0	0
5	380	SERVICES	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,244	26,917
6	381	METERS	704	704	704	704	704	704	704	704	704	704	704	701	8,445
7	382	METER INSTALLATIONS	552	552	552	552	552	552	552	552	552	552	552	548	6,620
8	383	REGULATORS	48	48	48	48	48	48	48	48	48	48	48	42	570
9	385	M & R - INDUSTRIAL	0	0	0	0	0	0	0	0	0	0	0	0	0
10	387	OTHER EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
11	391	OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
12	392	TRANSPORTATION EQUIPMENT	0	0	0	33,992	34,875	24,284	0	0	0	0	0	0	93,151
13	394	TOOLS, SHOP, & GARAGE EQUIPME	0	0	0	0	0	0	0	0	0	0	0	0	0
14	396	POWER OPERATED EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
15	397	COMMUNICATIONS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
16	398	MISCELLANEOUS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
17	390	STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	1,574	1,574
18		TOTAL RETIREMENTS	5,297	5,297	5,297	39,289	40,172	29,581	5,297	5,297	5,297	5,297	5,297	6,858	158,276

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-1 p.26

SCHEDULE G-2 | CALCULATION OF THE PROJECTED TEST YEAR - NOI - SUMMARY | PAGE 1 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF NET OPERATING INCOME PER BOOKS FOR THE HISTORIC BASE YEAR, THE PROJECTED NET OPERATING INCOME FOR THE HISTORIC BASE YEAR + 1, AND THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YEAR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.		HISTORIC BASE YEAR PER BOOKS	COMPANY ADJUSTMENTS	HISTORIC BASE YEAR ADJUSTED	HISTORIC BASE YEAR + 1 2000	PROJECTED TEST YEAR 2001	PROJECTED TEST YEAR ADJUSTMENTS	PROJECTED TEST YEAR AS ADJUSTED
	OPERATING REVENUE:							
1	OPERATING REVENUES	$17,293,932	($738,010)	$16,555,922	$14,238,052	$13,481,994	$0	$13,481,994
2	REVENUE RELIEF	$0	$0	$0	$0	$0	$0	$0
3	CHANGE IN UNBILLED REVENUES	$0	$0	$0	$0	$0	$0	$0
4	REVENUES DUE TO GROWTH	$0	$0	$0	$0	$0	$0	$0
5	TOTAL REVENUES	$17,293,932	($738,010)	$16,555,922	$14,238,052	$13,481,994	$0	$13,481,994
	OPERATING EXPENSES:							
6	COST OF GAS	$9,150,224	$0	$9,150,224	$7,195,543	$5,790,925	$0	$5,790,925
7	OPERATION & MAINTENANCE	$4,314,014	($478,588)	$3,835,426	$4,226,460	$4,617,575	$0	$4,617,575
8	DEPRECIATION & AMORTIZATION	$1,138,653	($38,715)	$1,099,938	$1,271,558	$1,377,195	($4,047)	$1,373,148
9	AMORTIZATION - OTHER	$0	$0	$0	$0	$0	$0	$0
10	TAXES OTHER THAN INCOME	$1,157,615	($512)	$1,157,103	$1,207,466	$1,155,218	$0	$1,155,218
11	TAXES OTHER THAN INCOME - GRWTH	$0	$0	$0	$0	$0	$0	$0
12	INCOME TAXES FEDERAL	$311,190	($89,099)	$222,091	($18,116)	($52,512)	$0	($52,512)
13	INCOME TAXES - STATE	$52,174	($14,929)	$37,245	($6,259)	($11,979)	$0	($11,979)
14	INCOME TAXES - GROWTH - FEDERAL	$0	$0	$0	$0	$0	$0	$0
15	INCOME TAXES - GROWTH - STATE	$0	$0	$0	$0	$0	$0	$0
16	INTEREST SYNCHRONIZATION	$0	$0	$0	$0	$0	($217,321)	($217,321)
17	DEFERRED TAXES - FEDERAL	$12,234	$0	$12,234	$39,254	$39,244	$0	$39,244
18	DEFERRED TAXES - STATE	$0	$0	$0	$0	$0	$0	$0
19	INVESTMENT TAX CREDITS	$0	$0	$0	($19,523)	($19,523)	$0	($19,523)
20	TOTAL OPERATING EXPENSES	$16,136,104	($621,843)	$15,514,261	$13,896,382	$12,896,143	($221,368)	$12,674,775
21	OPERATING INCOME	$1,157,828	($116,167)	$1,041,661	$341,670	$585,851	$221,368	$807,219

SUPPORTING SCHEDULES: G-2, p.2-5, G-6 p.2-3

RECAP SCHEDULES: A-1, A-4

SCHEDULE G-2 | NET OPERATING INCOME ADJUSTMENTS | PAGE 2 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE OF PROPOSED ADJUSTMENTS TO THE PROJECTED TEST YEAR. (FROM SCHEDULE G-2 PAGE 1)

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ADJUSTMENT TITLE	ADJUSTMENT AMOUNT	REASON FOR ADJUSTMENT
	OPERATING REVENUE		
1		$0	
2		$0	
3		$0	
4		$0	
5		$0	
6			
7	TOTAL REVENUE ADJUSTMEMTS	$0	
	COST OF GAS		
8		$0	
9		$0	
10	TOTAL COST OF GAS ADJUSTMENTS	$0	
	OPERATIONS & MAINTENANCE EXPENSE		
11		$0	
12		$0	
13		$0	
14		$0	
15		$0	
16		$0	
17	TOTAL O & M ADJUSTMENTS	$0	
	DEPRECIATION EXPENSE		
18	Eliminate Depreciation-Common Plant	$4,047	Eliminate depreciation- common plant allocated to non-utility
19		$0	
20		$0	
21		$0	
22	TOTAL DEPRECIATION EXPENSE ADJS	$4,047	

SUPPORTING SCHEDULES: G-6 p.2-3

RECAP SCHEDULES: G-1 p.2

SCHEDULE G-2 | NET OPERATING INCOME ADJUSTMENTS | PAGE 3 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE OF PROPOSED ADJUSTMENTS TO THE PROJECTED TEST YEAR. (FROM SCHEDULE G-2 PAGE 1)

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	ADJUSTMENT TITLE	ADJUSTMENT AMOUNT	REASON FOR ADJUSTMENT
	TAXES OTHER THAN INCOME		
23		$ 0	
24		0	
25		0	
26	TOTAL TAXES OTHER THAN INCOME ADJS	$ 0	
	INCOME TAXES - FEDERAL		
27		$ 217,321	
28		0	
29		0	
30	TOTAL FEDERAL INCOME TAX ADJUSTMENTS	$ 217,321	
	INCOME TAXES - STATE		
31		$ 0	
32		0	
33		0	
34	TOTAL STATE INCOME TAX ADJUSTMENTS	$ 0	
	DEFERRED INCOME TAXES		
35		$ 0	
36		0	
37	TOTAL DEFERRED TAX ADJUSTMENTS	$ 0	
38	TOTAL OF ALL ADJUSTMENTS	$ $221,368	

SUPPORTING SCHEDULES: G-6 p.2-3

RECAP SCHEDULES: G-2 p.1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE AN INCOME STATEMENT FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR + 1: 12/31/00
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

LINE NO.		JAN 2000	FEB 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEPT 2000	OCT 2000	NOV 2000	DEC 2000	12 MONTHS TOTAL
1	OPERATING REVENUE	$1,470,421	$1,249,716	$1,477,577	$1,287,963	$1,126,511	$1,060,793	$1,017,679	$983,092	$898,264	$1,084,142	$1,144,190	$1,437,704	14,238,052
2	REVENUES DUE TO GROWTH	0	0	0	0	0	0	0	0	0	0	0	0	0
3	NET REVENUE	1,470,421	1,249,716	1,477,577	1,287,963	1,126,511	1,060,793	1,017,879	983,092	898,284	1,084,142	1,144,190	1,437,704	14,238,052
4	COST OF GAS	727,963	625,905	767,114	663,771	581,435	553,959	512,636	488,523	426,550	555,305	582,611	709,771	7,195,543
5	O & M EXPENSE	352,205	352,205	352,205	352,205	352,205	352,205	352,205	352,205	352,205	352,205	352,205	352,205	4,226,460
6	DEPR & AMORT EXPENSE	99,473	100,650	101,784	102,921	104,277	105,708	106,912	108,084	109,540	110,997	111,831	109,379	1,271,558
7	AMORT OF PROPERTY LOSS	0	0	0	0	0	0	0	0	0	0	0	0	0
8	AMORT OF ENVIRONMENTAL MATTERS	0	0	0	0	0	0	0	0	0	0	0	0	0
9	TAXES OTHER THAN INCOME-REVENUE	54,928	54,928	54,928	54,928	54,928	54,928	54,928	54,928	54,928	54,928	54,928	54,925	659,133
10	TAXES OTHER THAN INCOME - GROWTH	0	0	0	0	0	0	0	0	0	0	0	0	0
11	TAXES OTHER THAN INCOME-OTHER	45,694	45,694	45,694	45,694	45,694	45,694	45,694	45,694	45,694	45,694	45,694	45,699	548,333
12	INCOME TAXES	(2,031)	(2,031)	(2,031)	(2,031)	(2,031)	(2,031)	(2,031)	(2,031)	(2,031)	(2,031)	(2,031)	(2,034)	(24,375)
13	INCOME TAXES - GROWTH	0	0	0	0	0	0	0	0	0	0	0	0	0
14	DEFERRED TAXES	3,271	3,271	3,271	3,271	3,271	3,271	3,271	3,271	3,271	3,271	3,271	3,273	39,254
15	TOTAL OPERATING EXPENSES	1,281,503	1,180,621	1,322,965	1,220,758	1,139,779	1,113,735	1,073,615	1,050,874	990,158	1,120,369	1,148,510	1,273,218	13,915,905
16	OPERATING INCOME	188,918	69,095	154,612	87,205	(13,269)	(52,941)	(55,937)	(67,582)	(91,894)	(36,227)	(4,319)	164,486	322,147
17	EQUITY EARNINGS-SUBS	0	0	0	0	0	0	0	0	0	0	0	0	0
18	INVEST TAX CREDITS	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,628)	(19,523)
19	OTHER INCOME & DEDUCTIONS NET	0	0	0	0	0	0	0	0	0	0	0	0	0
20	INTEREST CHARGES	29,089	29,089	29,089	29,089	29,089	29,089	29,089	29,089	29,089	29,089	29,089	29,085	349,064
21	NET INCOME	$158,202	$38,379	$123,896	$36,489	($43,985)	($83,657)	($86,653)	($98,298)	($122,810)	($66,943)	($35,035)	$133,775	($46,441)
22	DIVIDENDS DECLARED	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
23	THERMS SOLD	10,912,402	9,893,551	11,089,197	9,961,459	9,317,640	8,774,501	9,177,731	9,007,265	7,878,237	8,568,416	9,263,336	11,427,478	115,271,212

SUPPORTING SCHEDULES: G-2 p.28, G-6 p.2-2

RECAP SCHEDULES: G-2 p.1

SCHEDULE G-2 | CALCULATION OF THE PROJECTED TEST YEAR-NOI. | PAGE 5 OF 31

FLORIDA PUBLIC SERVICE COMMISSION | EXPLANATION: PROVIDE AN INCOME STATEMENT FOR THE PROJECTED TEST YEAR. | TYPE OF DATA SHOWN: PROJECTED TEST YEAR: 12/31/01

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP. | WITNESS: WILLIAMS

DOCKET NO.:000108-GU

LINE NO.		JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEPT 2001	OCT 2001	NOV 2001	DEC 2001	12 MONTHS TOTAL
1	OPERATING REVENUE	$1,363,779	$1,176,892	$1,372,396	$1,207,939	$1,075,668	$1,019,373	$992,828	$959,435	$868,677	$1,018,549	$1,072,643	$1,353,815	13,481,994
2	REVENUES DUE TO GROWTH	0	0	0	0	0	0	0	0	0	0	0	0	0
3	NET REVENUE	1,363,779	1,176,892	1,372,396	1,207,939	1,075,668	1,019,373	992,828	959,435	868,677	1,018,549	1,072,643	1,353,815	13,481,994
4	COST OF GAS	580,715	497,519	611,754	533,847	472,035	455,945	421,497	396,585	344,068	444,918	457,819	574,223	5,790,925
5	O & M EXPENSE	384,798	384,798	384,798	384,798	384,798	384,798	384,798	384,798	384,798	384,798	384,798	384,797	4,617,575
6	DEPR & AMORT EXPENSE	110,107	110,947	111,797	112,652	113,499	114,346	115,193	116,040	116,887	117,734	118,581	119,411	1,377,195
7	AMORT OF PROPERTY LOSS	0	0	0	0	0	0	0	0	0	0	0	0	0
8	AMORT OF ENVIRONMENTAL MATTEI	0	0	0	0	0	0	0	0	0	0	0	0	0
9	TAXES OTHER THAN INCOME-REVEN	57,952	57,952	57,952	57,952	57,952	57,952	57,952	57,952	57,952	57,952	57,952	57,957	695,429
10	TAXES OTHER THAN INCOME - GROV	0	0	0	0	0	0	0	0	0	0	0	0	0
11	TAXES OTHER THAN INCOME-OTHER	38,316	38,316	38,316	38,316	38,316	38,316	38,316	38,316	38,316	38,316	38,316	38,313	459,789
12	INCOME TAXES	(5,374)	(5,374)	(5,374)	(5,374)	(5,374)	(5,374)	(5,374)	(5,374)	(5,374)	(5,374)	(5,374)	(5,377)	(64,491)
13	INCOME TAXES - GROWTH	0	0	0	0	0	0	0	0	0	0	0	0	0
14	DEFERRED TAXES	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,274	39,244
15	TOTAL OPERATING EXPENSES	1,169,784	1,087,428	1,202,513	1,125,461	1,064,496	1,049,254	1,015,653	991,587	939,917	1,041,614	1,055,362	1,172,598	12,915,666
16	OPERATING INCOME	193,995	89,464	169,883	82,478	11,172	(29,881)	(22,824)	(32,153)	(71,240)	(23,065)	17,281	181,217	566,328
17	EQUITY EARNINGS-SUBS	0	0	0	0	0	0	0	0	0	0	0	0	0
18	INVEST TAX CREDITS	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,627)	(1,628)	(19,523)
19	OTHER INCOME & DEDUCTIONS NET	0	0	0	0	0	0	0	0	0	0	0	0	0
20	INTEREST CHARGES	55,099	55,099	55,099	55,099	55,099	55,099	55,099	55,099	55,099	55,099	55,099	55,098	661,187
21	NET INCOME	$137,269	$32,738	$113,157	$25,752	($45,554)	($86,607)	($79,550)	($88,879)	($127,966)	($79,791)	($39,445)	$124,493	($114,382)
22	DIVIDENDS DECLARED	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
23	THERMS SOLD	11,331,513	10,311,389	11,521,453	10,363,655	9,759,153	9,208,202	9,645,022	9,491,437	8,299,628	9,015,960	9,721,578	11,929,155	120,598,144

SUPPORTING SCHEDULES: G-2 p.5, G-6 p.2-2 | RECAP SCHEDULES: G-2 p.1

SCHEDULE G-2 | CALCULATION OF THE HISTORIC BASE YEAR + 1 - REVENUES & COST OF GAS | PAGE 8 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION FOR REVENUE AND COST OF GAS FOR THE HISTORIC BASE YEAR + 1.

FOR THE YEAR ENDED 12/31/00

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR + 1: 12/31/00
WITNESS: WILLIAMS

LINE NO.	RATE CLASS	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1	**RESIDENTIAL**	9,251	9,335	9,419	9,503	9,587	9,671	9,755	9,839	9,923	10,007	10,091	10,175	116,556
2	THERMS	343,768	221,963	279,725	225,749	154,576	122,512	118,287	113,198	107,590	118,218	159,454	257,048	2,222,087
3	CUSTOMER CHARGE	$64,757	$65,345	$65,933	$66,521	$67,109	$67,697	$68,285	$68,873	$69,461	$70,049	$70,637	$71,225	$815,892
4	NON-FUEL	$161,244	$104,112	$131,205	$105,887	$72,504	$57,464	$55,483	$53,096	$50,465	$55,450	$74,792	$120,589	$1,042,270
5	PGA	$136,277	$87,991	$110,888	$89,491	$81,277	$48,566	$46,891	$44,874	$42,651	$46,864	$63,211	$101,899	$880,880
6	TOTAL	$362,278	$257,447	$308,028	$261,900	$200,890	$173,727	$170,659	$166,843	$162,577	$172,383	$208,639	$293,693	$2,739,042
	GS COMMERCIAL < 50,000													
7	BILLS	823	832	841	850	859	868	877	666	895	904	913	922	10,470
8	THERMS	502,069	431,350	478,192	421,482	381,089	361,562	368,454	361,404	351,711	362,720	398,405	485,787	4,904,225
9	CUSTOMER CHARGE	$12,345	$12,480	$12,615	$12,750	$12,885	$13,020	$13,155	$13,290	$13,425	$13,560	$13,695	$13,830	157,050
10	NON-FUEL	$111,033	$95,393	$105,752	$93,211	$84,278	$79,959	$81,484	$79,925	$77,781	$80,216	$88,107	$107,432	1,084,569
11	PGA	$199,030	$170,996	$189,565	$167,084	$151,071	$143,330	$146,062	$143,268	$139,425	$143,790	$157,936	$192,576	1,944,133
12	TOTAL	$322,408	$278,869	$307,932	$273,045	$248,234	$236,310	$240,701	$236,483	$230,631	$237,565	$259,738	$313,836	$3,185,752
	LG VOL COMM 50-100,000													
13	BILLS	20	20	20	20	20	20	20	20	20	20	20	20	240
14	THERMS	139,279	123,647	138,055	106,644	106,010	83,006	85,538	78,667	68,885	93,211	120,580	118,278	1,260,000
15	CUSTOMER CHARGE	$400	$400	$400	$400	$400	$400	$400	$400	$400	$400	$400	$400	$4,800
16	NON-FUEL	$24,077	$21,375	$23,866	$18,470	$18,326	$14,349	$14,787	$13,254	$11,908	$16,113	$20,845	$20,447	$217,816
17	PGA	$55,213	$49,016	$54,728	$42,355	$42,024	$32,905	$33,909	$30,393	$27,307	$36,951	$47,800	$48,888	$499,489
18	TOTAL	$ 79,690	$ 70,791	$ 78,993	$ 61,225	$ 60,750	$ 47,655	$ 49,096	$ 44,046	$ 39,616	$ 53,464	$ 69,045	$ 67,735	$ 722,105
	GS INDUSTRIAL > 100,000													
19	BILLS	25	25	25	25	25	25	25	25	25	25	25	25	300
20	THERMS	851,218	801,925	1,039,124	920,329	825,032	830,318	720,878	681,059	547,814	826,645	791,235	929,423	9,765,000
21	CUSTOMER CHARGE	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$12,000
22	NON-FUEL	$67,153	$63,264	$81,976	$72,605	$65,087	$65,504	$56,870	$53,729	$43,217	$65,214	$62,421	$73,322	$770,361
23	PGA	$337,440	$317,899	$411,929	$364,837	$327,059	$329,155	$285,771	$289,986	$217,165	$327,698	$313,682	$368,442	$3,871,041
24	TOTAL	$405,592	$382,163	$494,906	$438,442	$393,148	$395,659	$343,641	$324,714	$261,382	$393,912	$377,082	$442,764	$4,653,402
	FIRM TRANSPORTATION													
25	BILLS	38	38	38	38	38	38	38	38	38	38	38	38	456
26	THERMS	2,596,318	2,170,240	2,449,759	2,063,593	1,658,171	1,470,157	1,489,448	1,489,968	1,453,254	1,681,513	1,666,668	2,780,811	22,969,900
27	CUSTOMER CHARGE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
28	NON-FUEL	$204,824	$171,210	$193,261	$162,797	$130,813	$115,981	$117,503	$117,544	$114,647	$132,655	$131,483	$219,378	$1,812,095
														$0
29	TOTAL	$204,824	$171,210	$193,261	$162,797	$130,813	$115,981	$117,503	$117,544	$114,647	$132,655	$131,483	$219,378	$1,812,095
	SPECIAL CONTRACTS													
30	BILLS	5	5	5	5	5	5	5	5	5	5	5	5	60
31	THERMS	6,479,750	6,144,427	6,704,343	6,223,462	6,192,763	5,906,946	6,395,127	6,284,967	5,346,983	5,488,109	8,126,994	6,856,128	74,150,000
32	CUSTOMER CHARGE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
33	NON-FUEL	$90,209	$83,816	$89,039	$85,135	$87,257	$86,042	$90,660	$88,043	$83,991	$88,763	$92,782	$94,877	1,060,815
34	TOTAL	$90,209	$83,816	$89,039	$85,135	$87,257	$66,042	$90,660	$88,043	$83,991	$88,763	$92,782	$94,877	$1,060,615
35	MISC SERVICE REVENUE	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100	5,100	$61,200
36	OTHER REVENUES	320	320	320	320	320	320	320	320	320	320	320	320	$3,840
37	TOTAL MISC. REVENUES	5,420	5,420	5,420	5,420	5,420	5,420	5,420	5,420	5,420	5,420	5,420	5,420	$65,040
38	TOTAL OPERATING REVENUE	$1,470,421	$1,249,716	$1,477,577	$1,287,963	$1,126,511	$1,060,793	$1,017,679	$983,092	$898,264	$1,084,142	$1,144,190	$1,437,704	$14,238,052

SUPPORTING SCHEDULES: G-6 p.2-2

RECAP SCHEDULES: E-1 p.2, G-2 p.1,

5/10/00
2:54 PM

SCHEDULE G-2 | CALCULATION OF THE HISTORIC BASE YEAR + 1 - REVENUES & COST OF GAS | PAGE 7 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION FOR THE REVENUE AND COST OF GAS FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/01
WITNESS: WILLIAMS

LINE NO.		JANUARY 2000	FEBRUARY 2000	MARCH 2000	APRIL 2000	MAY 2000	JUNE 2000	JULY 2000	AUGUST 2000	SEPTEMBER 2000	OCTOBER 2000	NOVEMBER 2000	DECEMBER 2000	TOTAL
	COST OF GAS													
1	FIRM THERMS SOLD	1,079,505	895,410	1,024,860	877,321	771,329	568,540	656,510	627,233	502,847	630,231	795,224	951,356	9,380,366
2	COST OF GAS-FIRM	$425,798	$353,184	$404,244	$346,049	$304,242	$224,254	$258,953	$247,404	$198,342	$248,587	$313,667	$375,214	$3,699,936
3	REVENUE RELATED TAXE	$2,142	$1,777	$2,033	$1,741	$1,530	$1,128	$1,303	$1,244	$998	$1,250	$1,578	$1,887	$18,611
4	I-GAS THERMS SOLD	756,829	683,474	910,235	797,083	695,377	828,858	636,646	605,097	573,153	770,563	674,450	839,181	8,770,946
5	COST OF GAS-I GAS	$298,522	$269,588	$359,031	$314,400	$274,283	$326,933	$251,117	$238,673	$226,073	$303,939	$266,029	$331,005	$3,459,594
6	REVENUE RELATED TAXE	$1,502	$1,356	$1,806	$1,581	$1,380	$1,644	$1,263	$1,201	$1,137	$1,529	$1,338	$1,665	$17,402
7	TOTAL COST OF GAS	$727,963	$625,905	$767,114	$663,771	$581,435	$553,959	$512,636	$488,523	$426,550	$555,305	$582,611	$709,771	$7,195,543
8	NET REVENUES	$742,458	$623,812	$710,463	$624,193	$545,076	$506,834	$505,043	$494,569	$471,713	$528,837	$561,579	$727,933	$7,042,509

NOTE: REVENUE RELATED TAXES INCLUDES A FUEL TAX OF .503%.

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-2 p.1, G-2 p.2

SCHEDULE G-2 | CALCULATION OF THE PROJECTED TEST YEAR - REVENUES & COST OF GAS | PAGE 8-1 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION FOR REVENUE AND COST OF GAS FOR PROJECTED TEST YEAR

FOR THE YEAR ENDED 12/31/01

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR 12/31/01
WITNESS: WILLIAMS

LINE NO.	RATE CLASS	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	TOTAL
1	**GS-1 BILLS- 0 TO 300 THERMS**	8,414	8,484	8,519	8,433	8,169	8,027	7,977	7,945	7,961	8,015	8,250	8,542	98,736
2	GS-1 THERMS	217,648	140,530	177,101	142,927	97,866	77,565	74,890	71,669	68,118	74,846	100,954	162,744	1,406,857
3	CUSTOMER CHARGE	$60,221	$60,727	$60,978	$60,361	$58,469	$57,453	$57,092	$56,866	$56,984	$57,366	$59,047	$61,139	$706,704
4	ENERGY CHARGE	$100,274	$64,744	$81,593	$65,849	$45,088	$35,736	$34,503	$33,019	$31,383	$34,483	$46,511	$74,979	$648,161
5	PGA	$86,280	$55,709	$70,207	$56,659	$38,796	$30,749	$29,688	$28,411	$27,003	$29,671	$40,020	$64,515	$557,709
6	TOTAL	$246,775	$181,181	$212,777	$182,869	$142,353	$123,937	$121,284	$118,296	$115,371	$121,520	$145,579	$200,632	$1,912,574
7	TS-1 BILLS	0	0	0	0	0	0	0	0	0	0	0	0	0
8	TS-1 THERMS	0	0	0	0	0	0	0	0	0	0	0	0	0
9	CUSTOMER CHARGE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10	ENERGY CHARGE	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11	TOTAL	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	301 TO 3,000 THERMS													
12	GS-2 BILLS	3,077	3,103	3,116	3,084	2,986	2,934	2,915	2,903	2,910	2,929	3,018	3,124	36,096
13	GS-2 THERMS	193,436	165,969	184,182	162,136	146,448	138,863	141,540	138,802	135,037	139,313	153,173	187,112	1,885,993
14	CUSTOMER CHARGE	$24,163	$24,368	$24,469	$24,219	$23,452	$23,041	$22,895	$22,803	$22,851	$23,006	$23,687	$24,534	$283,488
15	ENERGY CHARGE	$75,759	$65,001	$72,127	$63,500	$57,356	$54,385	$55,434	$54,362	$52,887	$54,562	$59,990	$73,282	$738,644
16	PGA	$76,682	$65,794	$73,006	$84,274	$58,055	$55,049	$56,110	$55,024	$53,532	$55,227	$60,721	$74,176	$747,649
17	TOTAL	$176,604	$155,163	$169,602	$151,994	$138,863	$132,475	$134,438	$132,189	$129,270	$132,794	$144,398	$171,992	$1,769,782
18	TS-2 BILLS	30	30	30	30	30	30	30	30	30	30	30	30	360
19	TS-2 THERMS	1,568	1,568	1,568	1,568	1,568	1,568	1,568	1,568	1,568	1,568	1,568	1,568	18,810
20	CUSTOMER CHARGE	$450	$450	$450	$450	$450	$450	$450	$450	$450	$450	$450	$450	$5,400
21	ENERGY CHARGE	$347	$347	$347	$347	$347	$347	$347	$347	$347	$347	$347	$347	$4,160
22	TOTAL	$797	$797	$797	$797	$797	$797	$797	$797	$797	$797	$797	$797	$9,560
	3,001 TO 10,000 THERMS													
23	GS-3 BILLS	259	260	260	257	250	247	246	244	246	247	251	257	3,024
24	GS-3 THERMS	184,372	155,147	174,505	151,069	134,377	126,307	129,155	126,242	122,236	126,786	141,533	177,644	1,749,374
25	CUSTOMER CHARGE	$3,807	$3,820	$3,819	$3,767	$3,677	$3,628	$3,611	$3,582	$3,608	$3,625	$3,682	$3,773	$44,400
26	ENERGY CHARGE	$41,848	$35,214	$39,608	$34,289	$30,500	$28,668	$29,315	$28,654	$27,744	$28,777	$32,124	$40,321	$397,063
27	PGA	$73,089	$61,504	$69,178	$59,887	$53,270	$50,071	$51,200	$50,045	$48,457	$50,261	$56,107	$70,422	$693,491
28	TOTAL	$118,744	$100,538	$112,605	$97,943	$87,448	$82,368	$84,126	$82,281	$79,809	$82,663	$91,913	$114,516	$1,134,953
29	TS-3 BILLS	40	40	40	40	40	40	40	40	40	40	40	40	480
30	TS-3 THERMS	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110	277,320
31	CUSTOMER CHARGE	$600	$600	$600	$600	$600	$600	$600	$600	$600	$600	$600	$600	$7,200
32	ENERGY CHARGE	$5,111	$5,111	$5,111	$5,111	$5,111	$5,111	$5,111	$5,111	$5,111	$5,111	$5,111	$5,111	$61,329
33	TOTAL	$5,711	$5,711	$5,711	$5,711	$5,711	$5,711	$5,711	$5,711	$5,711	$5,711	$5,711	$5,711	$68,529
	10,001 TO 25,000 THERMS													
34	GS-4 BILLS	63	63	63	62	59	58	58	57	58	58	60	62	720
35	GS-4 THERMS	105,726	82,392	97,847	79,136	65,808	59,365	61,639	59,313	56,115	59,748	71,522	100,353	898,964
36	CUSTOMER CHARGE	$941	$945	$945	$925	$891	$873	$866	$856	$865	$872	$893	$928	$10,800
37	ENERGY CHARGE	$23,381	$18,221	$21,639	$17,501	$14,553	$13,129	$13,832	$13,117	$12,410	$13,213	$15,817	$22,193	$198,806
38	PGA	$41,912	$32,662	$38,789	$31,371	$26,088	$23,534	$24,435	$23,513	$22,245	$23,685	$28,353	$39,782	$356,369
39	TOTAL	$66,234	$51,828	$61,373	$49,797	$41,532	$37,535	$38,933	$37,486	$35,520	$37,770	$45,063	$62,903	$565,975

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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION FOR REVENUE AND COST OF GAS FOR PROJECTED TEST YEAR

FOR THE YEAR ENDED 12/31/01

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR 12/31/01
WITNESS: WILLIAMS

LINE NO.	RATE CLASS	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	TOTAL
40	TS-4 BILLS	48	48	48	48	48	48	48	48	46	48	48	48	578
41	TS-4 THERMS	59,932	59,932	59,932	59,932	59,932	59,932	59,932	59,932	59,932	59,932	59,932	59,932	719,184
42	CUSTOMER CHARGE	$720	$720	$720	$720	$720	$720	$720	$720	$720	$720	$720	$720	$8,640
43	ENERGY CHARGE	$13,254	$13,254	$13,254	$13,254	$13,254	$13,254	$13,254	$13,254	$13,254	$13,254	$13,254	$13,254	$159,048
44	TOTAL	$13,974	$13,974	$13,974	$13,974	$13,974	$13,974	$13,974	$13,974	$13,974	$13,974	$13,974	$13,974	$167,688
	25,001 TO 50,000 THERMS													
45	GS-5 BILLS	14	14	14	13	13	13	12	12	12	13	13	13	156
46	GS-5 THERMS	53,780	41,347	49,582	39,612	32,511	29,076	30,289	29,050	27,346	29,281	35,555	50,917	448,347
47	CUSTOMER CHARGE	$204	$206	$205	$201	$193	$189	$187	$165	$187	$186	$193	$201	$2,340
48	ENERGY CHARGE	$11,893	$9,144	$10,965	$8,760	$7,190	$6,431	$8,698	$6,424	$6,047	$6,476	$7,863	$11,260	$99,152
49	PGA	$21,320	$16,391	$19,655	$15,703	$12,888	$11,527	$12,007	$11,516	$10,840	$11,608	$14,095	$20,185	$177,735
50	TOTAL	$33,417	$25,740	$30,826	$24,664	$20,271	$18,146	$18,893	$18,125	$17,075	$18,272	$22,151	$31,647	$279,227
51	TS-5 BILLS	12	12	12	12	12	12	12	12	12	12	12	12	144
52	TS-5 THERMS	34,468	34,488	34,488	34,488	34,488	34,488	34,488	34,488	34,488	34,488	34,488	34,488	413,856
53	CUSTOMER CHARGE	$180	$180	$180	$180	$180	$180	$160	$180	$180	$180	$180	$180	$2,160
54	ENERGY CHARGE	$7,627	$7,627	$7,627	$7,627	$7,627	$7,627	$7,627	$7,627	$7,627	$7,627	$7,627	$7,627	$91,524
55	TOTAL	$7,807	$7,807	$7,807	$7,807	$7,807	$7,807	$7,807	$7,807	$7,807	$7,807	$7,807	$7,807	$93,684
	50,001 TO 100,000 THERMS													
58	GS-6 BILLS	10	10	10	10	10	10	10	10	10	10	10	10	120
57	GS-6 THERMS	57,341	48,016	55,343	53,345	52,739	51,407	49,409	50,499	40,992	44,080	54,979	47,290	605,439
56	CUSTOMER CHARGE	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$2,400
59	ENERGY CHARGE	$9,913	$8,301	$9,567	$9,222	$9,117	$8,887	$8,541	$8,730	$7,086	$7,620	$9,504	$8,175	$104,662
60	PGA	$22,731	$19,035	$21,939	$21,147	$20,907	$20,379	$19,587	$20,019	$16,250	$17,474	$21,795	$18,747	$240,010
61	TOTAL	$32,844	$27,535	$31,706	$30,569	$30,224	$29,466	$28,328	$28,949	$23,537	$25,295	$31,499	$27,122	$347,072
62	TS-6 BILLS	10	10	10	10	10	10	10	10	10	10	10	10	120
63	TS-6 THERMS	67,610	61,719	64,468	49,480	50,986	39,335	43,001	34,361	34,558	56,287	74,548	78,147	654,500
64	CUSTOMER CHARGE	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$2,400
65	ENERGY CHARGE	$11,688	$10,669	$11,145	$8,554	$8,814	$6,800	$7,434	$5,940	$5,974	$9,730	$12,887	$13,509	$113,143
66	TOTAL	$11,688	$10,869	$11,345	$8,754	$9,014	$7,000	$7,634	$8,140	$6,174	$9,930	$13,087	$13,709	$115,543
	100,001 TO 500,000 THERMS													
67	GS-7 BILLS	6	6	6	6	6	6	6	6	6	6	6	6	72
68	GS-7 THERMS	57,162	66,714	61,262	82,448	92,428	67,178	93,220	91,651	71,151	80,180	89,896	89,711	923,000
69	CUSTOMER CHARGE	$240	$240	$240	$240	$240	$240	$240	$240	$240	$240	$240	$240	$2,880
70	ENERGY CHARGE	$4,509	$5,263	$4,833	$6,504	$7,292	$5,300	$7,354	$7,230	$5,613	$6,325	$7,092	$5,500	$72,815
71	PGA	$22,660	$26,447	$24,286	$32,684	$36,640	$26,631	$38,954	$36,332	$26,206	$31,785	$35,637	$27,835	$365,898
72	TOTAL	$27,410	$31,950	$29,358	$39,428	$44,172	$32,170	$44,548	$43,803	$34,059	$38,351	$42,969	$33,375	$441,593
783	TS-7 BILLS	33	33	33	33	33	33	33	33	33	33	33	33	396
74	TS-7 THERMS	747,928	648,551	733,145	670,364	660,528	652,677	641,840	674,578	638,757	740,553	731,246	829,534	8,369,500
75	CUSTOMER CHARGE	$2,560	$2,560	$2,560	$2,560	$2,560	$2,560	$2,560	$2,580	$2,560	$2,560	$2,560	$2,560	$30,720
76	ENERGY CHARGE	$55,948	$48,514	$54,842	$50,146	$49,410	$46,823	$47,997	$50,461	$47,782	$55,396	$54,700	$62,053	$626,073
77	TOTAL	$58,506	$51,074	$57,402	$52,706	$51,970	$51,383	$50,557	$53,021	$50,342	$57,956	$57,260	$64,613	$656,793

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION FOR REVENUE AND COST OF GAS FOR PROJECTED TEST YEAR

FOR THE YEAR ENDED 12/31/01

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR 12/31/01
WITNESS: WILLIAMS

LINE NO.	RATE CLASS	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	TOTAL
	500,001 TO 1,000,000 THERMS													
78	GS-8 BILLS	2	2	2	2	2	2	2	2	2	2	2	2	24
79	GS-8 THERMS	109,550	141,646	110,889	75,461	142,500	100,596	55,378	109,982	45,020	103,775	65,492	209,711	1,270,000
80	CUSTOMER CHARGE	$700	$700	$700	$700	$700	$700	$700	$700	$700	$700	$700	$700	$6,400
81	ENERGY CHARGE	$5,819	$7,524	$5,890	$4,008	$7,570	$5,344	$2,942	$5,842	$2,391	$5,513	$3,479	$11,140	$67,462
82	PGA	$43,428	$56,152	$43,959	$29,914	$56,490	$39,879	$21,953	$43,599	$17,847	$41,139	$25,963	$83,134	$503,456
83	TOTAL	$49,948	$64,376	$50,549	$34,623	$84,760	$45,922	$25,595	$50,141	$20,938	$47,351	$30,141	$94,974	$579,319
84	TS-8 BILLS	13	13	13	13	13	13	13	13	13	13	13	13	156
85	TS-8 THERMS	738,167	679,219	792,807	613,360	643,803	640,900	726,931	690,274	569,693	639,566	606,599	697,680	8,039,000
86	CUSTOMER CHARGE	$520	$520	$520	$520	$520	$520	$520	$520	$520	$520	$520	$520	$6,240
87	ENERGY CHARGE	$58,234	$53,564	$62,545	$48,388	$50,790	$50,561	$57,348	$54,456	$44,943	$50,455	$47,855	$55,040	$634,197
88	TOTAL	$58,754	$54,104	$63,065	$48,908	$51,310	$51,081	$57,868	$54,976	$45,463	$50,975	$48,375	$55,560	$640,437
	1,000,001 THERMS & OVER													
89	GS-9 BILLS	3	3	3	3	3	3	3	3	3	3	3	3	36
90	GS-9 THERMS	485,875	413,263	632,499	560,530	426,063	499,792	427,733	323,204	301,917	464,323	441,773	443,027	5,420,000
91	CUSTOMER CHARGE	$1,050	$1,050	$1,050	$1,050	$1,050	$1,050	$1,050	$1,050	$1,050	$1,050	$1,050	$1,050	$12,600
92	ENERGY CHARGE	$25,810	$21,953	$33,598	$29,775	$22,632	$26,549	$22,721	$17,169	$16,038	$24,665	$23,467	$23,534	$287,910
93	PGA	$192,612	$163,827	$250,736	$222,207	$168,901	$198,128	$169,563	$128,125	$119,687	$184,068	$175,129	$175,826	$2,148,608
94	TOTAL	$219,471	$186,829	$285,385	$253,032	$192,583	$225,727	$193,334	$148,344	$136,774	$209,783	$199,646	$200,209	$2,449,119
95	TS-9 BILLS	6	6	8	6	6	6	6	6	6	6	6	6	72
96	TS-9 THERMS	1,539,297	1,237,819	1,383,570	1,173,366	734,204	539,770	483,481	518,228	576,334	704,040	742,957	1,715,133	11,348,000
97	CUSTOMER CHARGE	$860	$860	$860	$860	$860	$860	$860	$860	$860	$860	$860	$860	$10,320
98	ENERGY CHARGE	$108,348	$87,113	$97,386	$82,591	$51,679	$37,993	$34,031	$36,477	$40,567	$49,558	$52,295	$120,724	$798,761
99	TOTAL	$109,208	$87,973	$98,246	$83,451	$52,539	$38,853	$34,891	$37,337	$41,427	$50,418	$53,155	$121,584	$809,081
100	SC BILLS	7	7	7	7	7	7	7	7	7	7	7	7	84
101	SC THERMS	8,654,525	6,310,157	6,885,175	6,391,324	6,359,796	6,066,270	6,567,618	6,454,488	5,493,257	5,634,083	6,292,253	7,041,054	78,150,000
102	CUSTOMER CHARGE													
103	ENERGY CHARGE	$120,858	$114,414	$124,840	$115,888	$115,314	$109,992	$119,083	$117,031	$99,602	$102,156	$114,090	$127,667	$1,380,733
104	TOTAL	$120,658	$114,414	$124,840	$115,886	$115,314	$109,992	$119,083	$117,031	$99,602	$102,156	$114,090	$127,667	$1,380,733
105	OTHER REVENUE	$5,028	$5,028	$5,028	$5,028	$5,028	$5,028	$5,028	$5,028	$5,028	$5,028	$5,028	$5,025	$60,333
106	TOTAL OPERATING REVENUE	$1,363,779	$1,176,892	$1,372,396	$1,207,939	$1,075,668	$1,019,373	$992,828	$959,435	$868,677	$1,018,549	$1,072,643	$1,353,815	$13,481,994
107	TOTAL CUSTOMERS	12,046	12,144	12,192	12,069	11,698	11,499	11,428	11,382	11,407	11,482	11,809	12,218	141,372
108	TOTAL THERMS	11,331,513	10,311,389	11,521,453	10,363,655	9,759,153	9,208,202	9,645,022	9,491,437	8,299,628	9,015,960	9,721,578	11,929,155	120,598,144

SUPPORTING SCHEDULES: G-6 p.2-2

RECAP SCHEDULES: E-1 p.2, G-2 p.1,

SCHEDULE G-2 | CALCULATION OF THE PROJECTED TEST YEAR - REVENUES & COST OF GAS | PAGE 9 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION FOR THE REVENUE AND COST OF GAS FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.		JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	TOTAL
	COST OF GAS													
1	FIRM THERMS SOLD	1,464,890	1,255,025	1,543,189	1,346,664	1,190,739	1,150,152	1,063,254	1,000,411	867,932	1,122,333	1,154,877	1,448,509	14,607,974
2	COST OF GAS-FIRM	$577,808	$495,029	$608,692	$531,175	$469,673	$453,663	$419,388	$394,600	$342,346	$442,691	$455,527	$571,349	$5,761,942
3	REVENUE RELATED TAXES	$2,906	$2,490	$3,062	$2,672	$2,362	$2,282	$2,110	$1,985	$1,722	$2,227	$2,291	$2,874	$28,983
4	I-GAS THERMS SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0
5	COST OF GAS-I GAS	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
6	REVENUE RELATED TAXES	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
7	TOTAL COST OF GAS	$580,715	$497,519	$611,754	$533,847	$472,035	$455,945	$421,497	$396,585	$344,068	$444,918	$457,819	$574,223	$5,790,925
8	NET REVENUES	$783,064	$679,373	$760,642	$674,092	$603,633	$563,427	$571,331	$562,850	$524,610	$573,631	$614,824	$779,592	$7,691,069

NOTE: REVENUE RELATED TAXES INCLUDES A FUEL TAX OF .503%.

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-2 p.1, G-2 p.2

5/10/00
11:16 AM

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF OPERATION AND MAINTENANCE EXPENSES FOR THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR. IF ADDITIONAL TREND RATES ARE APPLIED, PROVIDE AN EXPLANATION AS TO THE BASIS OF THE FACTOR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

	TREND RATES:	HISTORIC BASE YEAR + 1 12/31/00	PROJECTED TEST YEAR 12/31/01
#1	PAYROLL ONLY	4.00%	4.00%
#2	CUSTOMER GROWTH X INFLATION	7.62%	7.62%
#3	INFLATION ONLY	2.50%	2.50%
#4	CUSTOMER GROWTH	5.00%	5.00%

LINE NO.	ACCOUNT		CFG BASE YEAR	ADJUSTMENTS	TOTAL BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS FROM ABOVE
	DISTRIBUTION EXPENSE							
1	870	Payroll trended	130,273	0	130,273	135,484	140,903	#1
2		Other trended	20,243	0	20,243	21,787	23,448	#2
3		Other 2000	0	0	0	0	0	
4		Other 2001	0	0	0	0	0	
5		Total	150,516	0	150,516	157,270	164,351	
6	871	Payroll trended	70,565	0	70,565	73,388	76,323	#1
7		Other trended	15,334	0	15,334	16,503	17,762	#2
8		Other 2000	0	0	0	42,700	44,408	#1
9		Other 2001	0	0	0	0	0	
10		Total	85,899	0	85,899	132,591	138,493	
11	874	Payroll trended	132,556	0	132,556	137,858	143,373	#1
12		Other trended	65,549	0	65,549	70,547	75,926	#2
13		Other 2000	0	0	0	0	0	
14		Other 2001	0	0	0	0	0	
15		Total	198,105	0	198,105	208,405	219,299	
16	875	Payroll trended	0	0	0	0	0	
17		Other trended	0	0	0	0	0	
18		Other 2000	0	0	0	0	0	
19		Other 2001	0	0	0	0	0	
20		Total	0	0	0	0	0	
21	876	Payroll trended	0	0	0	0	0	
22		Other trended	0	0	0	0	0	
23		Other 2000	0	0	0	0	0	
24		Other 2001	0	0	0	0	0	
25		Total	0	0	0	0	0	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF OPERATION AND MAINTENANCE EXPENSES FOR THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR. IF ADDITIONAL TREND RATES ARE APPLIED, PROVIDE AN EXPLANATION AS TO THE BASIS OF THE FACTOR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ACCOUNT		CFG BASE YEAR	ADJUSTMENTS	TOTAL BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS FROM ABOVE
	DISTRIBUTION EXPENSE							
1	877	Payroll trended	886	0	886	921	958	#1
2		Other trended	21,478	0	21,478	6,972	7,504	#2
3		Other 2000	0	0	0	0	0	
4		Other 2001	0	0	0	0	0	
5		Total	22,364	0	22,364	7,893	8,462	
6	878	Payroll trended	215,040	0	215,040	223,642	232,587	#1
7		Other trended	79,678	0	79,678	85,753	92,292	#2
8		Other 2000	0	0	0	0	0	
9		Other 2001	0	0	0	0	0	
10		Total	294,718	0	294,718	309,395	324,879	
11	879	Payroll trended	142,850	(138,579)	4,271	4,442	4,620	#1
12		Other trended	229,414	(222,555)	6,859	7,382	7,945	#2
13		Other 2000	0	0	0	0	0	
14		Other 2001	0	0	0	0	0	
15		Total	372,264	(361,134)	11,130	11,824	12,564	
16	880	Payroll trended	61,140	0	61,140	63,586	66,129	#1
17		Other trended	17,122	0	17,122	17,550	17,989	#3
18		Other 2000	0	0	0	0	0	
19		Other 2001	0	0	0	0	0	
20		Total	78,262	0	78,262	81,136	84,118	
21	881	Payroll trended	0	0	0	0	0	
22		Other trended	30,449	0	30,449	31,210	31,990	#3
23		Other 2000	0	0	0	0	0	
24		Other 2001	0	0	0	0	0	
25		Total	30,449	0	30,449	31,210	31,990	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF OPERATION AND MAINTENANCE EXPENSES FOR THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR. IF ADDITIONAL TREND RATES ARE APPLIED, PROVIDE AN EXPLANATION AS TO THE BASIS OF THE FACTOR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ACCOUNT		CFG BASE YEAR	ADJUSTMENTS	TOTAL BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS FROM ABOVE
	MAINTENANCE EXPENSE							
1	885	Payroll trended	0	0	0	0	0	
2		Other trended	0	0	0	0	0	
3		Other 2000	0	0	0	0	0	
4		Other 2001	0	0	0	0	0	
5		Total	0	0	0	0	0	
6	886	Payroll trended	0	0	0	0	0	
7		Other trended	0	0	0	0	0	
8		Other 2000	0	0	0	0	0	
9		Other 2001	0	0	0	0	0	
10		Total	0	0	0	0	0	
11	887	Payroll trended	59,356	0	59,356	61,730	64,199	#1
12		Other trended	38,975	(474)	38,501	41,437	44,596	#2
13		Other 2000	0	0	0	0	0	
14		Other 2001	0	0	0	0	0	
15		Total	98,331	(474)	97,857	103,167	108,796	
16	889	Payroll trended	5,154	0	5,154	5,360	5,575	#1
17		Other trended	7,062	0	7,062	7,600	8,180	#2
18		Other 2000	0	0	0	0	0	
19		Other 2001	0	0	0	0	0	
20		Total	12,216	0	12,216	12,961	13,755	
21	890	Payroll trended	32,829	0	32,829	34,142	35,508	#1
22		Other trended	23,383	0	23,383	9,022	9,710	#2
23		Other 2000	0	0	0	0	0	
24		Other 2001	0	0	0	0	0	
25		Total	56,212	0	56,212	43,164	45,218	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF OPERATION AND MAINTENANCE EXPENSES FOR THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR. IF ADDITIONAL TREND RATES ARE APPLIED, PROVIDE AN EXPLANATION AS TO THE BASIS OF THE FACTOR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ACCOUNT		CFG BASE YEAR	ADJUSTMENTS	TOTAL BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS FROM ABOVE
	MAINTENANCE EXPENSE							
1	891	Payroll trended	11,642	0	11,642	12,108	12,592	#1
2		Other trended	8,744	0	8,744	9,411	10,128	#2
3		Other 2000	0	0	0	0	0	
4		Other 2001	0	0	0	0	0	
5		Total	20,386	0	20,386	21,518	22,720	
6	892	Payroll trended	17,639	0	17,639	18,345	19,078	#1
7		Other trended	14,845	0	14,845	15,977	17,195	#2
8		Other 2000	0	0	0	0	0	
9		Other 2001	0	0	0	0	0	
10		Total	32,484	0	32,484	34,321	36,274	
11	893	Payroll trended	5,169	0	5,169	5,376	5,591	#1
12		Other trended	64,096	0	64,096	68,983	74,243	#2
13		Other 2000	0	0	0	0	0	
14		Other 2001	0	0	0	0	0	
15		Total	69,265	0	69,265	74,359	79,834	
16	894	Payroll trended	5,759	0	5,759	5,989	6,229	#1
17		Other trended	12,538	0	12,538	13,494	14,523	#2
18		Other 2000	0	0	0	0	0	
19		Other 2001	0	0	0	0	0	
20		Total	18,297	0	18,297	19,483	20,752	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF OPERATION AND MAINTENANCE EXPENSES FOR THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR. IF ADDITIONAL TREND RATES ARE APPLIED, PROVIDE AN EXPLANATION AS TO THE BASIS OF THE FACTOR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ACCOUNT		CFG BASE YEAR	ADJUSTMENTS	TOTAL BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS FROM ABOVE
	CUSTOMER ACCT. & COLLECT.							
1	901	Payroll trended	75,433	0	75,433	78,450	81,588	#1
2		Other trended	9,794	0	9,794	10,541	11,345	#2
3		Other 2000	0	0	0	0	0	
4		Other 2001	0	0	0	0	0	
5		Total	85,227	0	85,227	88,991	92,933	
6	902	Payroll trended	15,787	0	15,787	16,418	17,075	#1
7		Other trended	74,805	0	74,805	80,509	86,648	#2
8		Other 2000	0	0	0	0	0	
9		Other 2001	0	0	0	0	0	
10		Total	90,592	0	90,592	96,927	103,723	
11	903	Payroll trended	175,807	0	175,807	182,839	190,153	#1
12		Other trended	168,405	0	168,405	181,246	195,066	#2
13		Other 2000	0	0	0	42,000	43,680	#1
14		Other 2001	0	0	0	0	0	
15		Total	344,212	0	344,212	406,085	428,899	
16	904	Payroll trended	0	0	0	0	0	
17		Other trended	25,250	0	25,250	27,175	29,247	#2
18		Other 2000	0	0	0	0	0	
19		Other 2001	0	0	0	0	0	
20		Total	25,250	0	25,250	27,175	29,247	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF OPERATION AND MAINTENANCE EXPENSES FOR THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR. IF ADDITIONAL TREND RATES ARE APPLIED, PROVIDE AN EXPLANATION AS TO THE BASIS OF THE FACTOR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ACCOUNT		CFG BASE YEAR	ADJUSTMENTS	TOTAL BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS FROM ABOVE
	CUSTOMER SERVICE & INFO.							
1	909	Payroll trended	0	0	0	0	0	
2		Other trended	27,877	(27,877)	0	0	0	
3		Other 2000	0	0	0	0	0	
4		Other 2001	0	0	0	0	5,000	
5		Total	27,877	(27,877)	0	0	5,000	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF OPERATION AND MAINTENANCE EXPENSES FOR THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR. IF ADDITIONAL TREND RATES ARE APPLIED, PROVIDE AN EXPLANATION AS TO THE BASIS OF THE FACTOR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ACCOUNT		CFG BASE YEAR	ADJUSTMENTS	TOTAL BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS FROM ABOVE
	SALES PROMOTION EXPENSE							
1	912	Payroll trended	274,470	0	274,470	285,449	296,867	#1
2		Other trended	62,871	10,000	72,871	74,693	76,560	#3
3		Other 2000	0	0	0	0	0	
4		Other 2001	0	0	0	0	63,000	
5		Total	337,341	10,000	347,341	360,142	436,427	
6	913	Payroll trended	0	0	0	0	0	
7		Other trended	18,330	(18,330)	0	0	0	
8		Other 2000	0	0	0	0	0	
9		Other 2001	0	0	0	0	0	
10		Total	18,330	(18,330)	0	0	0	
11	916	Payroll trended	980	0	980	1,019	1,060	#1
12		Other trended	1,836	(1,611)	225	242	261	#2
13		Other 2000	0	0	0	0	0	
14.		Other 2001	0	0	0	0	0	
15		Total	2,816	(1,611)	1,205	1,261	1,321	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF OPERATION AND MAINTENANCE EXPENSES FOR THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR. IF ADDITIONAL TREND RATES ARE APPLIED, PROVIDE AN EXPLANATION AS TO THE BASIS OF THE FACTOR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ACCOUNT		CFG BASE YEAR	ADJUSTMENTS	TOTAL BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS FROM ABOVE
	ADMINISTRATIVE & GENERAL EXPENSE							
1	920	Payroll trended	346,269	0	346,269	360,120	374,525	#1
2		Other trended	210,421	1,029	211,450	227,573	244,926	#2
3		Other 2000	0	0	0	161,418	167,875	#1
4		Other 2000	0	0	0	2,000	2,153	#2
5		Other 2001	0	0	0	0	70,000	
8		Total	556,690	1,029	557,719	751,111	859,477	
7	921	Payroll trended	0	0	0	0	0	
8		Other trended	223,501	0	223,501	240,543	258,884	#2
9		Other trended	87,089	(4,745)	82,344	84,403	86,513	#3
10		Other 2000	0	0	0	0	0	
11		Other 2001	0	0	0	0	0	
12		Total	310,590	(4,745)	305,845	324,946	345,397	
13	922	Payroll trended	0	0	0	0	0	
14		Other trended	(58,810)	0	(58,810)	(63,294)	(68,120)	#2
15		Other 2000	0	0	0	0	0	
16		Other 2001	0	0	0	0	0	
17		Total	(58,810)	0	(58,810)	(63,294)	(68,120)	
18	923	Payroll trended	0	0	0	0	0	
19		Other trended	333,973	(73,559)	260,414	266,924	273,597	#3
20		Other 2000	0	0	0	0	0	
21		Other 2001	0	0	0	0	0	
22		Total	333,973	(73,559)	260,414	266,924	273,597	
23	924	Payroll trended	0	0	0	0	0	
24		Other not trended	10,674	0	10,674	10,949	11,233	
25		Other 2000	0	0	0	0	0	
26		Other 2001	0	0	0	0	0	
27		Total	10,674	0	10,674	10,949	11,233	
28	925	Payroll trended	112	0	112	116	121	#1
29		Other not trended	141,173	0	141,173	144,019	146,894	
30		Other 2000	0	0	0	0	0	
31		Other 2001	0	0	0	0	0	
32		Total	141,285	0	141,285	144,135	147,015	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF OPERATION AND MAINTENANCE EXPENSES FOR THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR. IF ADDITIONAL TREND RATES ARE APPLIED, PROVIDE AN EXPLANATION AS TO THE BASIS OF THE FACTOR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ACCOUNT		CFG BASE YEAR	ADJUSTMENTS	TOTAL BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS FROM ABOVE
	ADMINISTRATIVE & GENERAL EXPENSE							
1	926	Payroll trended	78,335	0	78,335	81,468	84,727	#1
2		Other trended	314,294	(1,887)	312,407	320,217	328,223	#3
3		Other 2000	0	0	0	0	0	
4		Other 2001	0	0	0	0	0	
5		Total	392,629	(1,887)	390,742	401,686	412,950	
6	928	Payroll trended	0	0	0	0	0	
7		Other trended	3,120	0	3,120	3,358	3,614	#2
8		Other 2000	0	0	0	0	0	
9		Other 2001	0	0	0	0	60,875	
10		Total	3,120	0	3,120	3,358	64,489	
11	930	Payroll trended	0	0	0	0	0	
12		Other trended	76,174	0	76,174	78,078	80,030	#3
13		Other 2000	0	0	0	0	0	
14		Other 2001	0	0	0	0	0	
15		Total	76,174	0	76,174	78,078	80,030	
16	931	Payroll trended	0	0	0	0	0	
17		Other trended	54,161	0	54,161	55,515	56,903	#3
18		Other 2000	0	0	0	0	0	
19		Other 2001	0	0	0	0	0	
20		Total	54,161	0	54,161	55,515	56,903	
21	932	Payroll trended	893	0	893	929	966	#1
22		Other trended	21,224	0	21,224	22,842	24,584	#2
23		Other 2000	0	0	0	0	0	
24		Other 2001	0	0	0	0	0	
25		Total	22,117	0	22,117	23,771	25,550	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF OPERATION AND MAINTENANCE EXPENSES FOR THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR. IF ADDITIONAL TREND RATES ARE APPLIED, PROVIDE AN EXPLANATION AS TO THE BASIS OF THE FACTOR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

	TREND RATES:	HISTORIC BASE YEAR + 1 12/31/00	PROJECTED TEST YEAR 12/31/01
#1	PAYROLL ONLY	4.00%	4.00%
#2	CUSTOMER GROWTH X INFLATION	7.62%	7.62%
#3	INFLATION ONLY	2.50%	2.50%
#4	CUSTOMER GROWTH	5.00%	5.00%

LINE NO.		CFG BASE YEAR	ADJUSTMENTS	TOTAL BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS FROM ABOVE
	TOTAL EXPENSES						
1	Payroll trended	1,858,944	(138,579)	1,720,365	1,789,180	1,860,747	
2	Other	2,455,072	(340,009)	2,115,063	2,189,162	2,299,838	
3	Other 2000	0	0	0	248,118	258,115	
4	Other 2001	0	0	0	0	198,875	
5	Total	4,314,016	(478,588)	3,835,428	4,226,460	4,617,575	

SUPPORTING SCHEDULES: G-1 p.19-20, G-6 p.1

RECAP SCHEDULES: G-1 p.1, G-1 p.4

SCHEDULE G-2 | CALCULATION OF THE PROJECTED TEST YEAR - DEPR. & AMORT. | PAGE 20 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: PROVIDE THE CALCULATION FOR DEPRECIATION AND AMORTIZATION EXPENSE FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

ESTIMATED DEPRECIATION AND AMORTIZATION EXPENSE FOR THE YEAR ENDING 12/31/00

LINE NO.	A/C NO.	DESCRIPTION		Jan 2000	Feb 2000	Mar 2000	Apr 2000	May 2000	Jun 2000	Jul 2000	Aug 2000	Sep 2000	Oct 2000	Nov 2000	Dec 2000	TOTAL EXPENSE
1	362	GAS HOLDERS	0.000	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$71,112
2	375	STRUCTURES & IMPROVEMENTS	0.030	583	590	596	596	596	596	596	596	596	596	596	596	7,136
3	376	MAINS (STEEL)	0.032	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	334,221
4	376	MAINS (PLASTIC)	0.035	11,786	12,035	12,321	12,835	13,692	14,690	15,461	16,108	16,918	17,788	18,089	18,074	179,798
5	378	MEAS & REG STATION EQUIP-GEN	0.036	1,733	1,751	1,770	1,788	1,807	1,825	1,868	1,912	1,930	1,948	1,967	1,985	22,285
6	379	MEAS & REG STAT EQ-CITY GATE	0.035	3,203	3,331	3,497	3,544	3,552	3,560	3,568	3,608	3,749	3,894	3,964	3,999	43,470
7	380	SERVICES (STEEL)	0.053	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	56,426
8	380	SERVICES (PLASTIC)	0.055	8,991	9,183	9,376	9,568	9,760	9,952	10,144	10,336	10,528	10,720	10,913	11,105	120,576
9	381	METERS	0.045	3,973	4,017	4,061	4,105	4,149	4,194	4,238	4,282	4,326	4,370	4,414	4,459	50,588
10	382	METER INSTALLATIONS	0.035	1,992	2,054	2,115	2,176	2,238	2,299	2,361	2,422	2,484	2,545	2,606	2,668	27,960
11	383	HOUSE REGULATORS	0.036	2,168	2,195	2,231	2,266	2,281	2,308	2,336	2,351	2,378	2,406	2,421	2,436	27,776
12	384	HOUSE REGULATORS INSTALL.	0.032	0	0	0	0	0	0	0	0	0	0	0	0	0
13	385	INDUSTRIAL M&R STAT. EQUIP.	0.040	4,202	4,229	4,257	4,284	4,312	4,339	4,367	4,447	4,538	4,575	4,625	4,674	52,850
14	386	OTHER PROP ON CUST PREMISES	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
15	386.01	OTHER PROP-CUST PREM-A/C&B	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
16	386.02	OTHER PROP-CUST PREM-W HEAT	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
17	386.03	OTHER PROP-CUST PREM-SCH AP	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
18	387	OTHER EQUIPMENT	0.168	3,832	4,042	4,285	4,370	4,394	4,418	4,418	4,418	4,418	4,418	4,418	4,418	51,850
19	389	LAND	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
20	390	STRUCTURES & IMPROVEMENTS	0.023	641	641	641	641	641	641	641	641	641	641	641	640	7,690
21	391.01	DATA PROCESSING EQUIPMENT	0.143	1,572	1,597	1,612	1,627	1,642	1,657	1,672	1,687	1,702	1,717	1,731	1,746	19,962
22	391.02	OFFICE FURNITURE	0.058	455	523	557	569	581	593	605	617	629	641	654	660	7,085
23	391.03	OFFICE EQUIPMENT	0.094	604	604	604	604	604	604	604	604	604	604	604	604	7,251
24	391.04	VAX SYSTEM EQUIPMENT	0.167	698	698	698	698	698	698	698	698	698	698	698	698	8,375
25	392	AUTO & TRUCK	0.142	0	0	0	0	0	0	0	0	0	0	0	0	0
26	392.03	OTHER TRANSPORTATION EQUIP	0.029	288	288	288	288	288	288	288	288	288	288	288	288	3,455
27	393	STORES EQUIPMENT	0.040	0	0	0	0	0	0	0	0	0	0	0	0	0
28	394	TOOLS, SHOP, GARAGE EQUIP	0.053	345	350	354	358	360	362	363	365	369	373	375	377	4,351
29	395	LABORATORY EQUIPMENT	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
30	396	POWER OPERATED EQUIPMENT	0.078	2,011	2,125	2,125	2,206	2,288	2,288	2,288	2,288	2,288	2,288	2,288	2,288	26,768
31	397	COMMUNICATION EQUIPMENT	0.068	341	341	341	341	341	341	341	360	400	430	440	440	4,454
32	398	MISC EQUIPMENT	0.074	297	297	297	297	297	297	297	297	297	297	297	297	3,558
33		TOTAL DEPRECIATION EXPENSE		88,194	89,371	90,505	91,642	92,999	94,429	95,634	96,805	98,262	99,718	100,509	100,931	1,138,997
34		AMORTIZATION EXPENSE		11,279	11,279	11,279	11,279	11,279	11,279	11,279	11,279	11,279	11,279	11,323	8,449	132,560
35		TOTAL AMORT & DEPR EXPENSE		$99,473	$100,650	$101,784	$102,921	$104,277	$105,708	$106,912	$108,084	$109,540	$110,997	$111,831	$109,379	$1,271,558

SUPPORTING SCHEDULES: G-6 p.3

RECAP SCHEDULES: G-2 p.1, G-2 p.4

SCHEDULE G-2 | AMORTIZATION/RECOVERY SCHEDULE FOR THE HISTORIC BASE YEAR - 12 MONTHS | PAGE 21 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE FOR EACH AMORTIZATION/RECOVERY AMOUNT BY ACCOUNT OR SUB-ACCOUNT PROPOSED FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

LINE NO.	ACCT SUB-ACCT NO.	PLANT ACCOUNT TITLE	Jan 2000	Feb 2000	Mar 2000	Apr 2000	May 2000	Jun 2000	Jul 2000	Aug 2000	Sep 2000	Oct 2000	Nov 2000	Dec 2000	TOTAL AMORT/REC EXPENSE
1	111-301	Accum Amort-Organ. Costs-CFG	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$700
2	111-302	Accumulated Amort-CFG	35	35	35	35	35	35	35	35	35	35	35	35	424
3	101-303	Misc Intangible Plant	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	100,262
4	115	Amort Acquis. Adj-CFG	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,874	0	31,175
5			$11,279	$11,279	$11,279	$11,279	$11,279	$11,279	$11,279	$11,279	$11,279	$11,279	$11,323	$8,449	$132,560

SUPPORTING SCHEDULES: G-6 p.3

RECAP SCHEDULES: G-2 p.1, G-2 p.4

SCHEDULE G-2 | ALLOCATION OF DEPRECIATION/AMORTIZATION EXPENSE - COMMON PLANT | PAGE 22 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE ALLOCATION OF DEPRECIATION AND AMORTIZATION EXPENSE FOR THE HISTORIC BASE YEAR + 1. THIS DATA SHOULD CORRESPOND TO THE DATA PRESENTED IN SCHEDULE G-1 PAGE 15 OF 28.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR + 1: 12/31/00
WITNESS: WILLIAMS

LINE NO.	A/C NO.	DESCRIPTION	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	12 Month Total
1	374	LAND	0	0	0	0	0	0	0	0	0	0	0	0	0
2	375	STRUCTURES & IMPROVEMENTS	583	590	596	596	596	596	596	596	596	596	596	596	7,136
3	387	OTHER EQUIPMENT	3,832	4,042	4,285	4,370	4,394	4,418	4,418	4,418	4,418	4,418	4,418	4,418	51,850
4	389	LAND	0	0	0	0	0	0	0	0	0	0	0	0	0
5	390	STRUCTURES & IMPROVEMENTS	641	641	641	641	641	641	641	641	641	641	641	640	7,690
6	391	OFFICE FURN & EQUIPMENT	3,330	3,423	3,471	3,498	3,525	3,552	3,579	3,606	3,633	3,660	3,687	3,708	42,673
7	392	AUTOS & TRUCKS	288	288	288	288	288	288	288	288	288	288	288	288	3,455
8	394	TOOL, SHOP, & GARAGE EQUIP	345	350	354	358	360	362	363	365	369	373	375	377	4,351
9	396	POWER OPERATED EQUIPMENT	2,011	2,125	2,125	2,206	2,288	2,288	2,288	2,288	2,288	2,288	2,288	2,288	26,768
10	397	COMMUNICATION EQUIPMENT	341	341	341	341	341	341	341	360	400	430	440	440	4,454
11	398	MISC EQUIP (SPECIFY)	297	297	297	297	297	297	297	297	297	297	297	297	3,558
12															
13															
14															
15		TOTAL	11,666	12,095	12,398	12,595	12,729	12,782	12,811	12,859	12,930	12,991	13,029	13,051	151,935

			12 MONTH TOTAL	NONUTILITY %	12 MONTH NON-UTILITY	METHOD OF ALLOCATION
16	374	LAND	$0	0.0%	$0	
17	375	STRUCTURES & IMPROVEMENTS	$7,136	0.0%	$0	
18	387	OTHER EQUIPMENT	$51,850	0.0%	$0	
19	389	LAND	$0	0.0%	$0	
20	390	STRUCTURES & IMPROVEMENTS	$7,690	0.0%	$0	
21	391	OFFICE FURN & EQUIPMENT	$42,673	7.2%	$3,093	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
22	392	AUTOS & TRUCKS	$3,455	7.2%	$250	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
23	394	TOOL, SHOP, & GARAGE EQUIP	$4,351	0.0%	$0	
24	396	POWER OPERATED EQUIPMENT	$26,768	0.0%	$0	
25	397	COMMUNICATION EQUIPMENT	$4,454	7.2%	$323	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
26	398	MISC EQUIP (SPECIFY)	$3,558	0.0%	$0	
27			$0	0.0%	$0	
28			$0	0.0%	$0	
29			$0	0.0%	$0	
30		TOTAL	$151,935		$3,666	

SUPPORTING SCHEDULES: G-2 p.1, G-2 p.23-24, G-6 p.3

SCHEDULE G-2 | CALCULATION OF THE PROJECTED TEST YEAR - DEPR. & AMORT. | PAGE 23 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: PROVIDE THE CALCULATION FOR DEPRECIATION AND AMORTIZATION EXPENSE FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

ESTIMATED DEPRECIATION AND AMORTIZATION EXPENSE FOR THE YEAR ENDING 12/31/01

LINE NO.	A/C NO.	DESCRIPTION		Jan 2001	Feb 2001	Mar 2001	Apr 2001	May 2001	Jun 2001	Jul 2001	Aug 2001	Sep 2001	Oct 2001	Nov 2001	Dec 2001	TOTAL EXPENSE
1	362	GAS HOLDERS	0.000	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$71,112
2	375	STRUCTURES & IMPROVEMENTS	0.030	599	604	609	615	620	625	630	635	641	646	651	656	7,532
3	376	MAINS (STEEL)	0.032	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	334,221
4	376	MAINS (PLASTIC)	0.035	18,356	18,683	19,009	19,335	19,661	19,987	20,314	20,640	20,966	21,292	21,618	21,945	241,806
5	378	MEAS & REG STATION EQUIP-GEN	0.036	2,000	2,011	2,021	2,032	2,043	2,054	2,064	2,075	2,086	2,096	2,107	2,118	24,707
6	379	MEAS & REG STAT EQ-CITY GATE	0.035	4,005	4,007	4,010	4,012	4,015	4,017	4,019	4,022	4,024	4,027	4,029	4,032	48,218
7	380	SERVICES (STEEL)	0.053	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	56,426
8	380	SERVICES (PLASTIC)	0.055	11,320	11,558	11,797	12,035	12,274	12,512	12,751	12,989	13,227	13,466	13,704	13,943	151,576
9	381	METERS	0.045	4,508	4,563	4,618	4,673	4,728	4,782	4,837	4,892	4,947	5,002	5,057	5,111	57,718
10	382	METER INSTALLATIONS	0.035	2,732	2,798	2,863	2,929	2,995	3,061	3,127	3,193	3,259	3,325	3,391	3,457	37,132
11	383	HOUSE REGULATORS	0.036	2,460	2,487	2,515	2,542	2,569	2,597	2,624	2,652	2,679	2,707	2,734	2,762	31,328
12	384	HOUSE REGULATORS INSTALL.	0.032	0	0	0	0	0	0	0	0	0	0	0	0	0
13	385	INDUSTRIAL M&R STAT. EQUIP.	0.040	4,699	4,719	4,740	4,761	4,782	4,803	4,824	4,844	4,865	4,886	4,907	4,928	57,757
14	386	OTHER PROP ON CUST PREMISES	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
15	386.01	OTHER PROP-CUST PREM-A/C&B	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
16	386.02	OTHER PROP-CUST PREM-W HEAT	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
17	386.03	OTHER PROP-CUST PREM-SCH AP	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
18	387	OTHER EQUIPMENT	0.168	4,433	4,462	4,491	4,520	4,549	4,578	4,608	4,637	4,666	4,695	4,724	4,753	55,116
19	389	LAND	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
20	390	STRUCTURES & IMPROVEMENTS	0.023	638	638	638	638	638	638	638	638	638	638	638	637	7,656
21	391.01	DATA PROCESSING EQUIPMENT	0.143	1,754	1,763	1,781	1,804	1,819	1,834	1,849	1,864	1,879	1,894	1,909	1,909	22,058
22	391.02	OFFICE FURNITURE	0.058	660	661	663	666	668	670	673	675	678	680	683	684	6,060
23	391.03	OFFICE EQUIPMENT	0.094	604	604	604	604	604	604	604	604	604	604	604	604	7,251
24	391.04	VAX SYSTEM EQUIPMENT	0.167	698	698	698	698	698	698	698	698	698	698	698	698	8,375
25	392	AUTO & TRUCK	0.142	0	0	0	0	0	0	0	0	0	0	0	0	0
26	392.03	OTHER TRANSPORTATION EQUIP	0.029	288	288	288	288	288	288	288	288	288	288	288	288	3,455
27	393	STORES EQUIPMENT	0.040	0	0	0	0	0	0	0	0	0	0	0	0	0
28	394	TOOLS, SHOP, GARAGE EQUIP	0.053	379	382	384	387	389	392	395	397	400	402	405	408	4,720
29	395	LABORATORY EQUIPMENT	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
30	396	POWER OPERATED EQUIPMENT	0.078	2,300	2,324	2,349	2,373	2,397	2,422	2,446	2,470	2,495	2,519	2,544	2,566	29,206
31	397	COMMUNICATION EQUIPMENT	0.068	449	468	487	506	525	544	563	581	600	619	638	657	6,638
32	398	MISC EQUIPMENT	0.074	298	300	303	306	308	311	313	316	318	321	323	326	3,743
33		TOTAL DEPRECIATION EXPENSE		101,658	102,498	103,348	104,204	105,051	105,898	106,745	107,592	108,438	109,285	110,132	110,962	1,275,810
34		AMORTIZATION EXPENSE		8,449	8,449	8,449	8,449	8,449	8,449	8,449	8,449	8,449	8,449	8,449	8,449	101,385
35		TOTAL AMORT & DEPR EXPENSE		$110,107	$110,947	$111,797	$112,652	$113,499	$114,346	$115,193	$116,040	$116,887	$117,734	$118,581	$119,411	$1,377,195

SUPPORTING SCHEDULES: G-6 p.3

RECAP SCHEDULES: G-2 p.1, G-2 p.5

SCHEDULE G-2

AMORTIZATION/RECOVERY SCHEDULE FOR THE HISTORIC BASE YEAR - 12 MONTHS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE FOR EACH AMORTIZATION/RECOVERY AMOUNT BY ACCOUNT OR SUB-ACCOUNT PROPOSED FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Jan 01	Feb 01	Mar 01	Apr 01	May 01	Jun 01	Jul 01	Aug 01	Sep 01	Oct 01	Nov 01	Dec 01	TOTAL
1	301	ORGANIZATION	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$58	$700
2	302	FRANCHISE AND CONSENT	35	35	35	35	35	35	35	35	35	35	35	35	$424
3	303	MISC INTANGIBLE PLANT	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	8,355	$100,262
4			0	0	0	0	0	0	0	0	0	0	0	0	$0
5			0	0	0	0	0	0	0	0	0	0	0	0	$0
6			0	0	0	0	0	0	0	0	0	0	0	0	$0
7			0	0	0	0	0	0	0	0	0	0	0	0	$0
8			0	0	0	0	0	0	0	0	0	0	0	0	$0
9			0	0	0	0	0	0	0	0	0	0	0	0	$0
10			0	0	0	0	0	0	0	0	0	0	0	0	$0
11			0	0	0	0	0	0	0	0	0	0	0	0	$0
12		TOTAL	$8,449	$8,449	$8,449	$8,449	$8,449	$8,449	$8,449	$8,449	$8,449	$8,449	$8,449	$8,449	$101,385

SUPPORTING SCHEDULES: G-6 p.3

SCHEDULE G-2 | ALLOCATION OF DEPRECIATION/AMORTIZATION EXPENSE - COMMON PLANT | PAGE 25 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE ALLOCATION OF DEPRECIATION AND AMORTIZATION EXPENSE FOR THE PROJECTED TEST YEAR. THIS DATA SHOULD CORRESPOND TO THE DATA PRESENTED IN SCHEDULE G-1 PAGE 18 OF 28.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	12 Month Total
1	374	LAND	0	0	0	0	0	0	0	0	0	0	0	0	0
2	375	STRUCTURES & IMPROVEMENTS	599	604	609	615	620	625	630	635	641	646	651	656	7,532
3	387	OTHER EQUIPMENT	4,433	4,462	4,491	4,520	4,549	4,578	4,608	4,637	4,666	4,695	4,724	4,753	55,116
4	389	LAND	0	0	0	0	0	0	0	0	0	0	0	0	0
5	390	STRUCTURES & IMPROVEMENTS	638	638	638	638	638	638	638	638	638	638	638	637	7,656
6	391	OFFICE FURN & EQUIPMENT	3,715	3,726	3,746	3,772	3,789	3,807	3,824	3,841	3,859	3,876	3,893	3,895	45,744
7	392	AUTOS & TRUCKS	288	288	288	288	288	288	288	288	288	288	288	288	3,455
8	394	TOOL, SHOP, & GARAGE EQUIP	379	382	384	387	389	392	395	397	400	402	405	408	4,720
9	396	POWER OPERATED EQUIPMENT	2,300	2,324	2,349	2,373	2,397	2,422	2,446	2,470	2,495	2,519	2,544	2,568	29,206
10	397	COMMUNICATION EQUIPMENT	449	468	487	506	525	544	563	581	600	619	638	657	6,638
11	398	MISC EQUIP (SPECIFY)	298	300	303	306	308	311	313	316	318	321	323	326	3,743
12															0
13															0
14															0
15		TOTAL	13,099	13,192	13,295	13,404	13,504	13,604	13,704	13,805	13,905	14,005	14,105	14,187	163,810

			12 MONTH TOTAL	NONUTILITY %	12 MONTH NON-UTILITY	METHOD OF ALLOCATION
16	374	LAND	$0	0.0%	$0	
17	375	STRUCTURES & IMPROVEMENTS	$7,532	0.0%	$0	
18	387	OTHER EQUIPMENT	$55,116	0.0%	$0	
19	389	LAND	$0	0.0%	$0	
20	390	STRUCTURES & IMPROVEMENTS	$7,656	0.0%	$0	
21	391	OFFICE FURN & EQUIPMENT	$45,744	7.2%	$3,315	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
22	392	AUTOS & TRUCKS	$3,455	7.2%	$250	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
23	394	TOOL, SHOP, & GARAGE EQUIP	$4,720	0.0%	$0	
24	396	POWER OPERATED EQUIPMENT	$29,206	0.0%	$0	
25	397	COMMUNICATION EQUIPMENT	$6,638	7.2%	$481	BASED ON PERCENTAGE OF UNREGULATED PAYROLL TO TOTAL PAYROLL..
26	398	MISC EQUIP (SPECIFY)	$3,743	0.0%	$0	
27			$0	0.0%	$0	
28			$0	0.0%	$0	
29			$0	0.0%	$0	
30		TOTAL	$163,810		$4,047	

SUPPORTING SCHEDULES: G-2 p.1, G-2 p.23-24, G-6 p.3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A RECONCILIATION BETWEEN THE TOTAL OPERATING INCOME TAX PROVISION AND THE CURRENT INCOME TAXES ON OPERATING INCOME FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/2000
WITNESS: WILLIAMS

LINE NUMBER	DESCRIPTION	REFERENCE	TOTAL PER BOOKS	UTILITY ADJUSTMENTS	UTILITY ADJUSTED
1	CURRENT INCOME TAX EXPENSE		(24,375)	0	(24,375)
2	DEFERRED INCOME TAX EXPENSE		39,254	0	39,254
3	ITC REALIZED THIS YEAR		(19,523)	0	(19,523)
4	ITC AMORTIZATION (3% ITC AND IRC 46(f)(2))		0	0	0
5	PARENT DEBT ADJUSTMENT		0	0	0
6	TOTAL INCOME TAX EXPENSE		(4,644)	0	(4,644)

SUPPORTING SCHEDULES: G-2 p.27, G-6 p.3

RECAP SCHEDULES: G-2 p.1, G-2 p.4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE HISTORIC BASE YEAR + 1. PROVIDE DETAIL ON ADJUSTMENTS TO INCOME TAXES AND INVESTMENT TAX CREDITS.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

LINE NUMBER	DESCRIPTION	AMOUNT	AMOUNT
1	NET UTILITY OPERATING INCOME		337,025
2	ADD INCOME TAX ACCOUNTS		0
3	LESS INTEREST CHARGES		(349,064)
4	TAXABLE INCOME PER BOOKS		(12,039)
5			
6	ADJUSTMENTS TO TAXABLE INCOME (PROVIDE DETAIL)*		(101,759)
7	TAXABLE INCOME		(113,798)
8	ADJUSTMENTS TO STATE TAXABLE INCOME (PROVIDE DETAIL)*		0
9	STATE TAXABLE INCOME		(113,798)
10	INCOME TAX (5.5% OR APPLICABLE RATE OF LINE 8)	(6,259)	
11	EMERGENCY EXCISE	0	
12	CREDITS	0	
13	STATE TAX - CURRENT	(6,259)	(6,259)
14	ADJUSTMENTS TO FEDERAL TAXABLE INCOME (PROVIDE DETAIL)*		0
15	FEDERAL TAXABLE INCOME (LINE 6 - LINE 12 +/- LINE 13)		(107,539)
16	FEDERAL INCOME TAX RATE (34% OR APPLICABLE RATE)		35%
17	FEDERAL INCOME TAX BEFORE CREDITS		(37,639)
	PLUS: ITC AMROTIZATION		19,523
18	FEDERAL TAX - CURRENT		(18,116)
	SUMMARY:		
19	LESS: ITC REALIZED		(19,523)
20	CURRENT YEAR DEFERRED TAX EXPENSE		39,254
21	STATE TAX - CURRENT		(6,259)
22	FEDERAL TAX - CURRENT		(18,116)
23	TOTAL CURRENT INCOME TAX EXPENSE		(4,644)

*DETAIL OF ADJUSTMENTS TO TAXABLE INCOME LINE 5

		AMOUNT
1)	TAX DEPRECIATION / AMORTIZATION OVER BOOK	383,427
2)	MARK TO MARKET	(27,237)
3)	BAD DEBT ALLOWANCE	(13,184)
4)	BAD DEBTS	(659)
5)	AMORTIZATION OF O/H AND INT	23,757
6)	CAPITALIZATION OF O/H AND INT	(40,317)
7)	ASSET GAIN/LOSS	(6,466)
8)	CONTRIBUTIONS IN AID OF CONSTRUCTION	(43,306)
9)	COST OF REMOVAL	25,777
10)	CONSERVATION	(373)
11)	DEFERRED RATE CASE	(243,500)
12)	ENVIRONMENTAL COSTS	63,816
13)	PENSION COSTS	(82,710)
14)	POST RETIREMENT BENEFITS	(1,928)
15)	DEFERRED FLEX REVENUE	(12,676)
16)	UNBILLED REVENUE	13,871
17)	UNRECOVERED PURCH GAS COST	(144,886)
18)	263A COST IRS SETTLEMENT	4,835
	TOTAL ADJUSTMENTS	(101,759)

*DETAIL OF ADJUSTMENTS TO STATE TAXABLE INCOME LINE 7

		AMOUNT
1)		0
2)		0
3)		0
	TOTAL ADJUSTMENTS	0

*DETAIL OF ADJUSTMENTS TO FEDERAL TAXABLE INCOME LINE 13

		AMOUNT
1)		0
2)		0
3)		0
	TOTAL ADJUSTMENTS	0

SUPPORTING SCHEDULES: G-6 p.3

RECAP SCHEDULES: G-2 p.26

SCHEDULE G-2 | DEFERRED INCOME TAX EXPENSE | PAGE 28 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF TOTAL DEFERRED INCOME TAXES FOR THE HISTORIC BASE YEAR +1. PROVIDE DETAIL ON ITEMS RESULTING IN TAX DEFERRALS OTHER THAN ACCELERATED DEPRECIATION.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

DEFERRED INCOME TAXES - YEAR ENDED 12/31/00

LINE NUMBER	DESCRIPTION	TOTAL PER BOOKS	UTILITY ADJUSTMENTS	UTILITY ADJUSTED
	TIMING DIFFERENCES:			
1	TAX DEPRECIATION AND AMORTIZATION	$1,575,180	$0	$1,575,180
2	BOOK DEPRECIATION AND AMORTIZATION	1,191,753	0	1,191,753
3	DIFFERENCE	383,427	0	383,427
	OTHER TIMING DIFFERENCE (ITEMIZE):			
4	MARK TO MARKET	(27,237)	0	(27,237)
5	BAD DEBT ALLOWANCE	(13,184)	0	(13,184)
6	BAD DEBTS	(659)	0	(659)
7	AMORTIZATION OF O/H AND INT	23,757	0	23,757
8	CAPITALIZATION OF O/H AND INT	(40,317)	0	(40,317)
9	ASSET GAIN/LOSS	(6,466)	0	(6,466)
10	CONTRIBUTIONS IN AID OF CONSTRUCTION	(43,306)	0	(43,306)
11	COST OF REMOVAL	25,777	0	25,777
12	CONSERVATION	(373)	0	(373)
13	DEFERRED RATE CASE	(243,500)	0	(243,500)
14	ENVIRONMENTAL COSTS	63,816	0	63,816
15	PENSION COSTS	(82,710)	0	(82,710)
16	POST RETIREMENT BENEFITS	(1,928)	0	(1,928)
17	DEFERRED FLEX REVENUE	(12,676)	0	(12,676)
18	UNBILLED REVENUE	13,871	0	13,871
19	UNRECOVERED PURCH GAS COST	(144,886)	0	(144,886)
20	263A COST IRS SETTLEMENT	4,635	0	4,835
21	TOTAL TIMING DIFFERENCES	101,759	0	(101,759)
22	STATE TAX RATE	5.50%	5.50%	5.50%
23	STATE DEFERRED TAXES (LINE 7 x LINE 8)	5,597	0	(5,597)
24	TIMING DIFFERENCES FOR FEDERAL TAXES (LINE 7 - LINE 9)	96,162	0	(96,162)
25	FEDERAL TAX RATE	35.00%	35.00%	35.00%
26	FEDERAL DEFERRED TAXES (LINE 10 x LINE 11)	33,657	0	(33,657)
27	ADD STATE DEFERRED TAXES (LINE 9)	5,597	0	(5,597)
28	TOTAL DEFERRED TAX EXPENSE	$39,254	$0	($39,254)

SUPPORTING SCHEDULES: G-6 p.3

RECAP SCHEDULES: G-2 p.26

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A RECONCILIATION BETWEEN THE TOTAL OPERATING INCOME TAX PROVISION AND THE CURRENT INCOME TAXES ON OPERATING INCOME FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/2001
WITNESS: WILLIAMS

LINE NUMBER	DESCRIPTION	REFERENCE	TOTAL PER BOOKS	UTILITY ADJUSTMENTS	UTILITY ADJUSTED
1	CURRENT INCOME TAX EXPENSE		(64,491)	0	(64,491)
2	DEFERRED INCOME TAX EXPENSE		39,244	0	39,244
3	ITC REALIZED THIS YEAR		(19,523)	0	(19,523)
4	ITC AMORTIZATION (3% ITC AND IRC 46(f)(2))		0	0	0
5	PARENT DEBT ADJUSTMENT		0	0	0
6	TOTAL INCOME TAX EXPENSE		(44,770)	0	(44,770)

SCHEDULE G-2 | STATE AND FEDERAL INCOME TAX CALCULATION - CURRENT | PAGE 30 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF STATE AND FEDERAL INCOME TAXES FOR THE PROJECTED TEST YEAR. PROVIDE DETAIL ON ADJUSTMENTS TO INCOME TAXES AND INVESTMENT TAX CREDITS.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NUMBER	DESCRIPTION	AMOUNT	AMOUNT
1	NET UTILITY OPERATING INCOME		545,128
2	ADD INCOME TAX ACCOUNTS		0
3	LESS INTEREST CHARGES		(661,187)
4	TAXABLE INCOME PER BOOKS		(116,059)
5			
6	ADJUSTMENTS TO TAXABLE INCOME (PROVIDE DETAIL)*		(101,735)
7	TAXABLE INCOME		(217,794)
8	ADJUSTMENTS TO STATE TAXABLE INCOME (PROVIDE DETAIL)*		0
9	STATE TAXABLE INCOME		(217,794)
10	INCOME TAX (5.5% OR APPLICABLE RATE OF LINE 8)	(11,979)	
11	EMERGENCY EXCISE	0	
12	CREDITS	0	
13	STATE TAX - CURRENT	(11,979)	(11,979)
14	ADJUSTMENTS TO FEDERAL TAXABLE INCOME (PROVIDE DETAIL)*		0
15	FEDERAL TAXABLE INCOME (LINE 6 - LINE 12 +/- LINE 13)		(205,815)
16	FEDERAL INCOME TAX RATE (34% OR APPLICABLE RATE)		35%
17	FEDERAL INCOME TAX BEFORE CREDITS		(72,035)
	PLUS: ITC AMROTIZATION		19,523
18	FEDERAL TAX - CURRENT		(52,512)
	SUMMARY:		
19	LESS: ITC REALIZED		(19,523)
20	CURRENT YEAR DEFERRED TAX EXPENSE		39,244
21	STATE TAX - CURRENT		(11,979)
22	FEDERAL TAX - CURRENT		(52,512)
23	TOTAL CURRENT INCOME TAX EXPENSE		(44,770)

*DETAIL OF ADJUSTMENTS TO TAXABLE INCOME LINE 5

		AMOUNT
1)	TAX DEPRECIATION / AMORTIZATION OVER BOOK	322,576
2)	MARK TO MARKET	(27,237)
3)	BAD DEBT ALLOWANCE	(13,184)
4)	BAD DEBTS	(659)
5)	AMORTIZATION OF O/H AND INT	23,757
6)	CAPITALIZATION OF O/H AND INT	(40,317)
7)	ASSET GAIN/LOSS	(6,466)
8)	CONTRIBUTIONS IN AID OF CONSTRUCTION	(43,306)
9)	COST OF REMOVAL	25,777
10)	CONSERVATION	(373)
11)	DEFERRED RATE CASE	(182,625)
12)	ENVIRONMENTAL COSTS	63,816
13)	PENSION COSTS	(82,710)
14)	POST RETIREMENT BENEFITS	(1,928)
15)	DEFERRED FLEX REVENUE	(12,676)
16)	UNBILLED REVENUE	13,871
17)	UNRECOVERED PURCH GAS COST	(144,886)
18)	263A COST IRS SETTLEMENT	4,835
	TOTAL ADJUSTMENTS	(101,735)

*DETAIL OF ADJUSTMENTS TO STATE TAXABLE INCOME LINE 7

		AMOUNT
1)		0
2)		0
3)		0
	TOTAL ADJUSTMENTS	0

*DETAIL OF ADJUSTMENTS TO FEDERAL TAXABLE INCOME LINE 13

		AMOUNT
1)		0
2)		0
3)		0
	TOTAL ADJUSTMENTS	0

SUPPORTING SCHEDULES: G-6 p.3

RECAP SCHEDULES: G-2 p.26

SCHEDULE G-2 | DEFERRED INCOME TAX EXPENSE | PAGE 31 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF TOTAL DEFERRED INCOME TAXES FOR THE PROJECTED TEST YEAR. PROVIDE DETAIL ON ITEMS RESULTING IN TAX DEFERRALS OTHER THAN ACCELERATED DEPRECIATION.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

DEFERRED INCOME TAXES - YEAR ENDED 12/31/01

LINE NUMBER	DESCRIPTION	TOTAL PER BOOKS	UTILITY ADJUSTMENTS	UTILITY ADJUSTED
	TIMING DIFFERENCES:			
1	TAX DEPRECIATION AND AMORTIZATION	$1,610,717	$0	$1,610,717
2	BOOK DEPRECIATION AND AMORTIZATION	1,288,141	0	1,288,141
3	DIFFERENCE	322,576	0	322,576
	OTHER TIMING DIFFERENCE (ITEMIZE):			
4	MARK TO MARKET	(27,237)	0	(27,237)
5	BAD DEBT ALLOWANCE	(13,184)	0	(13,184)
6	BAD DEBTS	(659)	0	(659)
7	AMORTIZATION OF O/H AND INT	23,757	0	23,757
8	CAPITALIZATION OF O/H AND INT	(40,317)	0	(40,317)
9	ASSET GAIN/LOSS	(6,466)	0	(6,466)
10	CONTRIBUTIONS IN AID OF CONSTRUCTION	(43,306)	0	(43,306)
11	COST OF REMOVAL	25,777	0	25,777
12	CONSERVATION	(373)	0	(373)
13	DEFERRED RATE CASE	(182,625)	0	(182,625)
14	ENVIRONMENTAL COSTS	63,816	0	63,816
15	PENSION COSTS	(82,710)	0	(82,710)
16	POST RETIREMENT BENEFITS	(1,928)	0	(1,928)
17	DEFERRED FLEX REVENUE	(12,676)	0	(12,676)
18	UNBILLED REVENUE	13,871	0	13,871
19	UNRECOVERED PURCH GAS COST	(144,886)	0	(144,886)
20	263A COST IRS SETTLEMENT	4,835	0	4,835
21	TOTAL TIMING DIFFERENCES	101,735	0	101,735
22	STATE TAX RATE	5.50%	5.50%	5.50%
23	STATE DEFERRED TAXES (LINE 7 x LINE 8)	5,595	0	5,595
24	TIMING DIFFERENCES FOR FEDERAL TAXES (LINE 7 - LINE 9)	96,140	0	96,140
25	FEDERAL TAX RATE	35.00%	35.00%	35.00%
26	FEDERAL DEFERRED TAXES (LINE 10 x LINE 11)	33,649	0	33,649
27	ADD STATE DEFERRED TAXES (LINE 9)	5,595	0	5,595
28	TOTAL DEFERRED TAX EXPENSE	$39,244	$0	$39,244

SUPPORTING SCHEDULES: G-6 p.3

RECAP SCHEDULES: G-2 p.26

SCHEDULE G-3 | CALCULATION OF THE PROJECTED TEST YEAR - COST OF CAPITAL | PAGE 1 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13 MONTH AVERAGE COST OF CAPITAL FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	DESCRIPTION	PER BOOKS	ADJUSTMENTS SPECIFIC	ADJUSTMENTS PRO RATA	ADJUSTED	RATIO	COST RATE	WEIGHTED COST
1	COMMON EQUITY	11,910,867	(6,857,239)	0	5,053,628	43.41%	12.00%	5.21%
2	LONG TERM DEBT	0	3,132,567	0	3,132,567	26.91%	7.63%	2.05%
3	SHORT TERM DEBT	0	1,040,806	0	1,040,806	8.94%	6.03%	0.54%
4	CUSTOMER DEPOSITS	688,437	0	0	688,437	5.91%	6.44%	0.38%
5	DEFERRED TAXES	1,352,960	0	0	1,352,960	11.62%	0.00%	0.00%
6	FLEX RATE LIABILITY	0	46,880	0	46,880	0.40%	6.30%	0.03%
7	TAX CREDIT	326,501	0	0	326,501	2.80%	0.00%	0.00%
8	TOTAL	14,278,765	(2,636,986)	0	11,641,779	100.00%		8.21%

SUPPORTING SCHEDULES: G-1 p.5-6, G-6 p.1

SCHEDULE G-3 | CALCULATION OF THE PROJECTED TEST YEAR - COST OF CAPITAL | PAGE 2 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13 MONTH AVERAGE COST OF CAPITAL FOR THE PROJECTED TEST YEAR

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	DESCRIPTION	PER BOOKS	ADJUSTMENTS SPECIFIC	ADJUSTMENTS PRO RATA	ADJUSTED	RATIO	COST RATE	WEIGHTED COST
1	COMMON EQUITY	11,822,978	(1,533,682)	0	10,289,296	48.26%	12.00%	5.79%
2	LONG TERM DEBT	0	6,377,973	0	6,377,973	29.91%	7.52%	2.25%
3	SHORT TERM DEBT	0	2,119,103	0	2,119,103	9.94%	6.03%	0.60%
4	CUSTOMER DEPOSITS	789,257	0	0	789,257	3.70%	6.44%	0.24%
5	DEFERRED TAXES	1,392,213	0	0	1,392,213	6.53%	0.00%	0.00%
6	FLEX RATE LIABILITY	0	46,880	0	46,880	0.22%	6.30%	0.01%
7	TAX CREDIT	306,978	0	0	306,978	1.44%	0.00%	0.00%
8	TOTAL	14,311,426	7,010,274	0	21,321,700	100.00%		8.89%

SUPPORTING SCHEDULES: G-1 p.5-6, G-6 p.1

SCHEDULE G-3 | LONG-TERM DEBT OUTSTANDING | PAGE 3 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE ANALYSIS, AS SPECIFIED, OF EACH OUTSTANDING ISSUE OF LONG-TERM DEBT, ON A 13 MONTH AVERAGE BASIS, FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR DATA: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ISSUE (1)	ISSUE DATE (2)	MATURITY DATE (3)	PRINCIPAL OUTSTANDING 12/31/01 (4)	(PREMIUM) DISCOUNT (5)	ISSUING EXPENSE (6)	NET (5)+(6) (7)	LIFE (YEARS) (8)	AMORTIZATION (7)/(6) (9)	INTEREST (10)	ANNUAL TOTAL COST (9)+(10) (11)
1	CHESAPEAKE SERIES 1- 9.37%	12/22/89	12/15/04	$2,268,000		$12,307	$12,307	2.9167	$4,219	$212,512	$216,731
2	CHESAPEAKE DEBENTURES - 8.25%	2/24/89	3/1/14	$3,614,000		$164,650	$164,650	12.1667	$13,533	298,155	$311,688
3	CHESAPEAKE SENIOR NOTE- 7.97%	2/9/93	2/1/08	$7,000,000		$71,285	$71,285	6.0833	$11,718	557,900	$569,618
4	CHESAPEAKE SENIOR NOTE 2 - 6.91	10/2/95	10/1/10	$8,181,818		$140,536	$140,536	8.7500	$16,061	565,364	$581,425
5	CHESAPEAKE SENIOR NOTE 3 - 6.85	12/15/97	1/1/12	$10,000,000		$77,121	$77,121	10.0000	$7,712	685,000	$692,712
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16	TOTAL			$31,063,818	$0	$465,899	$465,899		$53,244	$2,318,930	$2,372,174
17	UNAMORTIZED PREMIUM, DISCOUNT, AND ISSUE EXPENSE			$465,899							
18	NET			$31,529,717							
19	EMBEDDED COST OF LONG-TERM DEBT (11)/(4)			7.52%							

SUPPORTING SCHEDULES: G-1 p.8, G-6 p.1

RECAP SCHEDULES: A-1, A-5, G-3 p.2

5/10/00
2:23 PM

SCHEDULE G-3 | SHORT TERM DEBT | PAGE 4 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO: 000108-GU

EXPLANATION: PROVIDE ANALYSIS OF SHORT TERM DEBT INCLUDING EACH OUTSTANDING ISSUE OF SHORT TERM DEBT ON 13 MONTH AVERAGE FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

OUTSTANDING SHORT TERM DEBT

LINE NO.	DESCRIPTION (1)	AVERAGE INTEREST EXPENSE (2)	MATURITY DATE (3)	AVERAGE AMOUN OUTSTANDING PROJ. TEST YEAR (4)	EFFECTIVE COST RATE (2)/(4) (5)

THE 13-MONTH AVERAGE SHORT-TERM DEBT IN THE PROJECTED TEST YEAR WAS ASSUMED TO BE EQUAL TO THAT AT 12/31/99.

SUPPORTING SCHEDULES: G-1 p.8

RECAP SCHEDULES: A-1, A-5, G-3 p.2

SCHEDULE G-3 | PREFERRED STOCK | PAGE 5 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO: 000108-GU

EXPLANATION: PROVIDE ANALYSIS, AS SPECIFIED, OF PREFERRED STOCK ON A 13 MONTH AVERAGE BASIS FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ISSUE (1)	PROJECTED ISSUE DATE (2)	CALL PROVISIONS OR SPECIAL RESTRICTIONS (3)	PRINCIPAL AMOUNT OUTSTANDING (4)	DISCOUNT OR PREMIUM ASSOCIATED WITH (4) (5)	ISSUING EXPENSE ASSOCIATED WITH (4) (6)	NET PROCEEDS (4)+(5)-(6) (7)	COUPON RATE (8)	DOLLAR DIVIDENDS (8 X 4) (9)	EFFECTIVE COST RATE (9)/(7) (10)
1										
2				CHESAPEAKE UTILITIES CORPORATION DOES NOT HAVE ANY PREFERRED STOCK.						
3										
4										
5										
6										
7										
8										
9										
TOTAL				$0	$0	$0	$0		$0	0.00%

SUPPORTING SCHEDULES: G-1 p.8

RECAP SCHEDULES: A-1, A-5, G-3 p.2

SCHEDULE G-3 | COMMON STOCK ISSUES - ANNUAL DATA | PAGE 6 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE ANALYSIS OF COMMON STOCK ISSUES, AS SPECIFIED, FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	METHOD OF ISSUE (1)	PROJECTED PRICE PER SHARE (2)	PROJECTED SHARES TO BE ISSUED (3)	PROJECTED GROSS PROCEEDS (2)X(3) (4)	PROJECTED ISSUE EXPENSE (5)	PROJECTED NET PROCEEDS (4)-(5) (6)	NET PROCEEDS PER SHARE (6)/(3) (7)	PROJECTED TOTAL SHARES OUTSTANDING (8)
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16	END OF YEAR BALANCE					$0	$0	

CHESAPEAKE UTILITIES CORPORATION DOES NOT ANTICIPATE ANY PUBLIC OFFERINGS OF COMMON STOCK DURING THE PROJECTED TEST YEAR. HOWEVER, CHESAPEAKE UTILITIES CORPORATION WILL HAVE MINOR INCREASES IN COMMON STOCK OUTSTANDING AS A RESULT OF ITS DIVIDEND REINVESTMENT PROGRAM, RETIREMENT SAVINGS PLAN, PERFORMANCE INCENTIVE PLAN, AND ISSUES UNDER TERMS OF OUTSTANDING CONVERTIBLE DEBENUTRES.

SUPPORTING SCHEDULES:

RECAP SCHEDULES: A-5, A-5, G-3 p.2

SCHEDULE G-3 | CUSTOMER DEPOSITS | PAGE 7 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET 000108-GU

EXPLANATION: PROVIDE MONTHLY BALANCES, INTEREST RATES, AND INTEREST PAYMENTS ON CUSTOMER DEPOSITS FOR THE PROJECTED TEST YEAR. INDICATE THE COMPANY POLICY ON COLLECTING DEPOSITS, DEPOSIT SIZE, PAYMENT OF INTEREST, AND REFUNDS.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	MONTH & YEAR (1)	CUSTOMER DEPOSITS @ 6.44% (2)	CUSTOMER DEPOSITS @ _.__% (3)	INACTIVE CUSTOMER DEPOSITS (4)	TOTAL CUSTOMER DEPOSITS (2)+(3)+(4) (5)		INTEREST EXPENSE (2)*(6.44%/12) (6)	INTEREST EXPENSE (3)*(__%/12) (7)	TOTAL INTEREST (6)+(7) (8)
1	Dec-00	$699,393	$0	$0	$699,393				
2	Jan-01	$781,072	$0	$0	$781,072		$4,152.34	$0	$4,152
3	Feb-01	$789,240	$0	$0	$789,240		$4,195.76	$0	$4,196
4	Mar-01	$788,334	$0	$0	$788,334		$4,190.95	$0	$4,191
5	Apr-01	$784,080	$0	$0	$784,080		$4,168.33	$0	$4,168
6	May-01	$787,098	$0	$0	$787,098		$4,184.38	$0	$4,184
7	Jun-01	$793,008	$0	$0	$793,008		$4,215.80	$0	$4,216
8	Jul-01	$790,430	$0	$0	$790,430		$4,202.09	$0	$4,202
9	Aug-01	$827,220	$0	$0	$827,220		$4,397.67	$0	$4,398
10	Sep-01	$799,823	$0	$0	$799,823		$4,252.03	$0	$4,252
11	Oct-01	$802,729	$0	$0	$802,729		$4,267.47	$0	$4,267
12	Nov-01	$813,614	$0	$0	$813,614		$4,325.34	$0	$4,325
13	Dec-01	$804,302	$0	$0	$804,302		$4,275.84	$0	$4,276
14				13-MONTH AVG	$789,257	12-MONTH TOTAL	$50,828	$0	$50,828
15			EFFECTIVE INTEREST RATE		6.44%				

NARRATIVE DESCRIPTION:

SUPPORTING SCHEDULES: G-1 p.8

RECAP SCHEDULES: A-1, A-5, G-3 p.2

SCHEDULE G-3 | FINANCING PLANS - STOCK AND BOND ISSUES | PAGE 8 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE INFORMATION, AS SPECIFIED, FOR FINANCING PLANS AND ASSUMPTIONS.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	TYPE OF ISSUE (1)	DATE OF ISSUE (2)	FOR BONDS: CAPITALIZATION (3)	FOR BONDS: INTEREST RATE (4)	FOR BONDS: LIFE IN YEARS (5)	FOR STOCK: NO. OF SHARES (6)	FOR STOCK: MARKET PRICE (7)	ISSUE COST (8)	PRINCIPAL AMOUNT (9)	OTHER ASSUMPTIONS (10)
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										

CAPITAL STRUCTURE OBJECTIVES:	COMPONENTS (11)	PERCENT OF TOTAL (12)	
11	LONG TERM DEBT		
12	PREFERRED STOCK		
13	COMMON EQUITY		
14	OTHER (EXPLAIN)	CHESAPEAKE UTILITIES CORPORATION HAS A CAPITAL STRUCTURE OBJECTIVE OF 60% EQUITY AND 40% DEBT.	

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES:

SCHEDULE G-3 FINANCIAL INDICATORS - CALCULATION OF INTEREST AND PREFERRED DIVIDEND COVERAGE RATIOS PAGE 9 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILTIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE CALCULATIONS FOR THE FOLLOWING - INTEREST COVERAGE RATIOS AND PREFERRED DIVIDEND COVERAGE (INCLUDING AND EXCLUDING AFUDC FOR EACH INDICATOR) FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

N/A

SUPPORTING SCHEDULES:

RECAP SCHEDULES: A-6

SCHEDULE G-3 FINANCIAL INDICATORS - CALCULATION OF PERCENTAGE OF CONSTRUCTION FUNDS GENERATED INTERNALLY PAGE 10 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE INFORMATION, AS SPECIFIED, USED TO CALCULATE THE PERCENTAGE OF CONSTRUCTION FUNDS TO BE GENERATED INTERNALLY.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

N/A

SUPPORTING SCHEDULES:

RECAP SCHEDULES: A-6

SCHEDULE G-3 | FINANCIAL INDICATORS - AFUDC AS PERCENTAGE OF INCOME AVAILABLE FOR COMMON | PAGE 11 OF 11

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: CALCULATE THE AFUDC AS A PERCENTAGE OF INCOME FOR COMMON FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

N/A

SUPPORTING SCHEDULES:

RECAP SCHEDULES: A-6

SCHEDULE G-4 | CALCULATION OF THE PROJECTED TEST YEAR - REVENUE EXPANSION FACTOR | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF THE REVENUE EXPANSION FACTOR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	DESCRIPTION	%
1	REVENUE REQUIREMENT	100.0000%
2	GROSS RECEIPTS TAX RATE	2.5000%
3	REGULATORY ASSESSMENT RATE	0.5000%
4	BAD DEBT RATE	0.0000%
5	NET BEFORE INCOME TAXES (1)-(2)-(3)-(4)	97.0000%
6	STATE INCOME TAX RATE	5.5000%
7	STATE INCOME TAX (5 X 6)	5.33500%
8	NET BEFORE FEDERAL INCOME TAX (5)-(7)	91.6650%
9	FEDERAL INCOME TAX RATE	35.0000%
10	FEDERAL INCOME TAX (8 X 9)	32.0828%
11	REVENUE EXPANSION FACTOR (8)-(10)	59.5823%
12	NET OPERATING INCOME MULTIPLIER (100% / LINE 11)	1.6784

SUPPORTING SCHEDULES:

RECAP SCHEDULES: G-5

SCHEDULE G-5 | CALCULATION OF THE PROJECTED TEST YEAR - REVENUE DEFICIENCY | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF THE REVENUE DEFICIENCY FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	DESCRIPTION	AMOUNT
1	ADJUSTED RATE BASE	$ 21,321,700
2	REQUESTED RATE OF RETURN	8.89%
3	N.O.I. REQUIREMENTS	1,895,499
4	LESS: ADJUSTED N.O.I.	807,219
5	N.O.I. DEFICIENCY	$ 1,088,280
6	EXPANSION FACTOR	1.6784
7	REVENUE DEFICIENCY	$ 1,826,569

SUPPORTING SCHEDULES: G-1 p.1, G-2 p.1, G-3 p.1, G-4

RECAP SCHEDULES: A-1, A-2, H-1 p.5

SCHEDULE G-6 | CALCULATION OF THE PROJECTED TEST YEAR - MAJOR ASSUMPTIONS | PAGE 1 OF 3

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE MAJOR ASSUMPTIONS USED TO DEVELOP THE PROJECTED TEST YEAR ENDING 12/31/01

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

1 PLANT IN SERVICE:

ADDITIONS: TOTAL PLANT ADDITIONS WILL BE $4,197,189 FOR THE YEAR ENDED DECEMBER 31, 2000 AND $3,067,448 FOR THE YEAR ENDING DECEMBER 31, 2001. THIS IS BASED ON THE COMPANY'S PROJECTED CAPITAL EXPENDITURES FOR THESE PERIODS.

RETIREMENTS: RETIREMENTS WERE BASED ON HISTORICAL EXPERIENCE FOR SPECIFIC PLANT ACCOUNTS.

CWIP: CWIP WAS PROJECTED BASED ON THE ACTUAL HISTORIC BASE YEAR CWIP AS A PERCENTAGE OF PLANT ADDITIONS.

2 CURRENT AND ACCRUED ASSETS:

A. FOR EACH ACCOUNT ACTUAL BALANCES WERE USED FOR DECEMBER 1999. CURRENT ASSETS WERE PROJECTED AT THE HISTORIC BASE YEAR 13 MONTH AVERAGE, EXCEPT FOR THOSE ACCOUNTS IDENTIFIED BELOW.

B. CASH WAS PROJECTED AS A FUNCTION OF PROJECTED REVENUE.

C. CUSTOMER ACCOUNTS RECEIVABLE WAS PROJECTED BASED ON PROJECTED REVENUE AND THE HISTORIC BASE YEAR RELATIONSHIP OF ACCOUNTS RECEIVABLE AND REVENUE.

D. UNBILLED REVENUE WAS PROJECTED BASED ON THE HISTORIC BASE YEAR UNBILLED REVENUE AND THE HISTORIC BASE YEAR RELATIONSHIP OF ACCOUNTS RECEIVABLE AND REVENUE.

E. THE ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS IS PROJECTED AT 2.02% OF THE ACCOUNTS RECEIVABLE WHICH EQUALS THE SAME RATIO AS THE HISTORIC BASE YEAR

3 DEFERRED CHARGES:

A. FOR EACH ACCOUNT ACTUAL BALANCES WERE USED FOR DECEMBER 1999. DEFERRED CHARGES WERE PROJECTED AS 0 SINCE THEY ARE ELIMINATED FROM WORKING CAPITAL, EXCEPT FOR THOSE ACCOUNTS IDENTIFIED BEI

B. MISCELLANEOUS DEFERRED DEBITS WERE PROJECTED AT THE HISTORIC BASE YEAR 12/31/99 BALANCE.

4 COMMON EQUITY:

A. MISCELLANEOUS PAID IN CAPITAL WAS PROJECTED BEGINNING WITH THE DECEMBER 1999 BALANCE AND CLOSING THE PROJECTED NET INCOME EVERY MONTH OF FOR THE PERIOD.

B. THE COST RATE OF 12% IS A REASONABLE RETURN ON COMMON EQUITY.

5 LONG-TERM DEBT:

THE COST OF LONG-TERM DEBT IS BASED ON PROJECTED CHESAPEAKE UTILITIES CORPORATION AND SUBSIDIARIES COST OF LONG-TERM DEBT.

SUPPORTING SCHEDULES: WORKPAPERS

RECAP SCHEDULES: G-1 THROUGH G-5

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE MAJOR ASSUMPTIONS USED TO DEVELOP THE PROJECTED TEST YEAR ENDING 12/31/01

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

6 CURRENT AND ACCRUED LIABILITIES:

A. FOR EACH ACCOUNT ACTUAL BALANCES WERE USED FOR DECEMBER 1999. CURRENT LIABILITIES WERE PROJECTED AT THE HISTORIC BASE YEAR 13 MONTH AVERAGE, EXCEPT FOR THOSE ACCOUNTS IDENTIFIED BELOW.

B. ACCOUNTS PAYABLE WAS PROJECTED BASED ON THE HISTORIC BASE YEAR RELATIONSHIP OF ACCOUNTS PAYABLE TO COST OF GAS, O & M AND DEPRECIATION AND AMORTIZATION EXPENSE.

C. CUSTOMER DEPOSITS-ACCOUNTS PAYABLE WAS PROJECTED BASED ON THE HISTORIC BASE YEAR AVERAGE CUSTOMER DEPOSIT PER RESIDENTIAL CUSTOMER AND THE PROJECTED GROWTH IN REVENUES

D. METER DEPOSITS REFUND CHECKS WERE ASSUMED TO BE 0.

E. TAXES ACCRUED-GENERAL WERE PROJECTED BASED IN THE PERCENT INCREASE OF PROJECTED EXPENSES AND THE HISTORIC BASE YEAR BALANCE.

F. TAXES ACCRUED- INCOME WAS PROJECTED BASED ON THE PROJECTED CURRENT INCOME TAX EXPENSE AND THE HISTORIC YEAR BALANCE.

7 DEFERRED CREDITS:

A. FOR EACH ACCOUNT ACTUAL BALANCES WERE USED FOR DECEMBER 1999. DEFERRED CREDITS WERE PROJECTED AS 0 SINCE THEY ARE ELIMINATED FROM WORKING CAPITAL, EXCEPT FOR THOSE ACCOUNTS IDENTIFIED BEL(

B. CUSTOMER ADVANCES FOR CONSTRUCTION WAS PROJECTED AT THE PRIOR DECEMBER BALANCE.

C. ACCUMULATED DEFERRED INCOME TAX WAS PROJECTED BASED ON PROJECTED TIMING DIFFERENCES.

D. INVESTMENT TAX CREDITS WERE PROJECTED BASED ON AMORTIZATION OVER THE BOOK LIKE OF THE ASSOCIATED PROPERTY.

8 REVENUES AND CUSTOMER GROWTH:

A. RESIDENTIAL AND GENERAL SERVICE COMMERCIAL CUSTOMER PROJECTIONS WERE BASED PARTIALLY ON HISTORICAL EXPERIENCE AND ALSO ON KNOWN LOCAL DEVELOPMENT PLANS.

B. GENERAL SERVICE LARGE VOLUME, GENERAL SERVICE INDUSTRIAL, AND INTERRUPTIBLE CUSTOMER PROJECTIONS WERE BASED ON KNOWN ADDITIONS.

C. RESIDENTIAL AND GENERAL SERVICE COMMERCIAL GAS SALES WERE BASED ON ACTUAL AVERAGE CONSUMPTION PER CUSTOMER AND PROJECTED NUMBER OF CUSTOMERS.

D. GENERAL SERVICE LARGE VOLUME AND GENERAL SERVICE INDUSTRIAL GAS SALES WERE ASSUMED TO BE EQUAL TO THE HISTORICAL BAS YEAR EXCEPT WHEN THERE WERE KNOWN CUSTOMER ADDITIONS.

9 COST OF GAS:

COST OF GAS IS FIXED AT THE SAME LEVEL FOR BOTH THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR.

FLORIDA PUBLIC SERVICE COMMISSION | EXPLANATION: PROVIDE THE MAJOR ASSUMPTIONS USED TO DEVELOP THE PROJECTED | TYPE OF DATA SHOWN: PROJECTED TEST YEAR; 12/31/01

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP. | TEST YEAR ENDING 12/31/01 | WITNESS: WILLIAMS

DOCKET NO.: 000108-GU

10 OPERATING AND MAINTENANCE EXPENSES:

OPERATIONS AND MAINTENANCE EXPENSES ARE PROJECTED IN ACCORDANCE WITH THE BASIC METHODOLOGY PRESCRIBED BY THE COMMISSION STAFF.

THE FOLLOWING TREND FACTORS WERE APPLIED TO VARIOUS O&M ACCOUNTS:

	BASE YEAR + 1	PROJECTED TEST YEAR
PAYROLL ONLY	4.00%	4.00%
CUSTOMER GROWTH & INFLATION	7.62%	7.62%
INFLATION ONLY	2.50%	2.50%
CUSTOMER GROWTH	5.00%	5.00%

SEVERAL EXPENSE ITEMS WERE TRENDED ACCORDING TO SPECIFIC INFORMATION. THESE INCLUDE PAYROLL, INSURANCES, AND DATA PROCESSING COSTS.

11 DEPRECIATION AND AMORTIZATION

A. DEPRECIATION WAS PROJECTED BASED ON PROJECTED PLANT BALANCES AND CENTRAL FLORIDA'S MOST RECENT COMMISSION APPROVED DEPRECIATION RATES.

B. AMORTIZATION WAS PROJECTED BASED ON CURRENT AMORTIZATION AND PROJECTED PLANT ADDITIONS.

12 TAXES OTHER THAN INCOME:

A. REVENUE- COMPUTED GROSS RECEIPTS TAX AND REGULATORY ASSESSMENT FEE AT 3.00%

B. FICA, STATE UNEMPLOYMENT, AND FEDERAL UNEMPLOYMENT WERE PROJECTED BY TRENDING PAYROLL.

C. OCCUPATIONAL AND MISCELLANEOUS WERE PROJECTED BY TRENDING FOR INFLATION.

D. PROPERTY TAXES WERE BASED ON PROJECTED INCREASES IN PLANT.

13 INCOME TAXES:

A. CALCULATED AT THE COMBINED STATUTORY FEDERAL AND STATE RATE OF 38.575% NET OF PERMANENT DIFFERENCES.

B. THE COMPANY COMPUTES ITS TAXES UNDER FULL NORMALIZATION PRINCIPLES.

14 INTEREST EXPENSE:

A. AMORTIZATION OF DD&E AND INTEREST ON LONG TERM DEBT WAS PROJECTED AT THE HISTORIC BAS ;YEAR AMOUNT.

B. INTEREST CHARGES OTHER WAS PROJECTED BASED ON CUSTOMER DEPOSITS-ACCOUNTS PAYABLE BALANCE.

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO. 000108-GU
MINIMUM FILING REQUIRMENTS
INDEX

H

COST OF SERVICE PROGRAM

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SCHEDULE H-1
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE
EXPLANATION: FULLY ALLOCATED EMBEDDED COST
OF SERVICE STUDY (SUMMARY)

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

LINE NO.	SUMMARY	TOTAL	GS1/TS1		GS2/TS2		GS3/TS3		GS4/TS4		GS5/TS5		GS6/TS6		GS7/TS7		GS8/TS8		GS9/TS9		Special Contract
1	RATE BASE	21,321,701	2,922,388	0	1,725,833	0	1,052,559	0	1,074,485	0	957,734	0	1,189,580	0	2,656,053	0	2,366,001	0	4,361,573	0	3,015,496
2	ATTRITION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	O&M	4,817,575	1,037,037	0	821,013	0	488,540	0	268,468	0	74,664	0	78,597	0	471,124	0	377,575	0	323,099	0	677,458
4	DEPRECIATION	1,201,074	136,315	0	86,018	0	66,456	0	67,964	0	64,108	0	77,764	0	153,184	0	140,062	0	259,234	0	149,968
5	AMORTIZATION EXPENSES	172,073	4,062	0	3,921	0	5,372	0	5,039	0	4,422	0	5,391	0	15,053	0	15,552	0	30,831	0	82,831
6	TAXES OTHER THAN INCOME - OTHER	459,789	62,504	0	36,098	0	16,058	0	14,250	0	7,559	0	11,492	0	67,025	0	64,265	0	125,741	0	54,798
7	TAXES OTHER THAN INCOME - REV. RELATE	695,429	139,324	0	103,373	0	61,049	0	39,748	0	17,551	0	21,497	0	96,407	0	84,637	0	125,018	0	6,827
8	INCOME TAXES TOTAL	476,198	83,332	0	35,709	0	14,431	0	13,026	0	8,906	0	10,583	0	59,969	0	56,304	0	109,293	0	106,643
9	REVENUE CREDITED TO COS:	(106,340)	(74,785)	0	(27,494)	0	(2,719)	0	(1,068)	0	(274)	0	0	0	0	0	0	0	0	0	0
10	TOTAL COST - CUSTOMER	4,133,795	1,312,082	0	935,590	0	429,012	0	218,748	0	45,809	0	70,174	0	373,144	0	222,673	0	188,821	0	337,744
11	TOTAL COST - CAPACITY	4,526,129	172,749	0	165,685	0	220,944	0	204,271	0	140,920	0	158,439	0	650,383	0	675,356	0	1,136,247	0	1,001,136
12	TOTAL COST - COMMODITY	55,944	662	0	896	0	954	0	761	0	406	0	593	0	4,373	0	4,381	0	7,891	0	35,027
13	TOTAL COST - REVENUE	695,429	139,324	0	103,373	0	81,049	0	39,748	0	17,551	0	21,497	0	96,407	0	84,637	0	125,018	0	6,827
14	NO OF CUSTOMERS	11,781	8,228	0	3,038	0	292	0	108	0	25	0	20	0	39	0	15	0	9	0	7
15	PEAK MONTH SALES	11,103,929	187,882	0	172,232	0	183,253	0	146,313	0	77,960	0	112,403	0	784,392	0	839,723	0	1,706,702	0	6,893,069
16	ANNUAL SALES	120,598,144	1,406,857	0	1,904,803	0	2,026,694	0	1,616,148	0	862,203	0	1,259,939	0	9,292,500	0	9,309,000	0	16,768,000	0	76,150,000

SUPPORTING SCHEDULES: H-2 p.1

RECAP SCHEDULES: H-1 p.5

SCHEDULE H-1
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE
EXPLANATION: FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

DERIVATION OF REVENUE DEFICIENCY
SCHEDULE D

LINE NO.		TOTAL	GS1/TS1	GS2/TS2	GS3/TS3	GS4/TS4	GS5/TS5	GS6/TS6	GS7/TS7	GS8/TS8	GS9/TS9	Special Contract
1	CUSTOMER COSTS	4,133,795	1,312,082	935,590	429,012	218,746	45,809	70,174	373,144	222,673	188,821	337,744
2	CAPACITY COSTS	4,526,129	172,749	165,685	220,944	204,271	140,920	158,439	650,383	675,356	1,136,247	1,001,136
3	COMMODITY COSTS	55,944	662	896	954	761	408	593	4,373	4,381	7,891	35,027
4	REVENUE COSTS	695,429	139,324	103,373	61,049	39,746	17,551	21,497	96,407	84,637	125,018	6,827
5	TOTAL	9,411,298	1,624,818	1,205,544	711,958	463,525	204,686	250,703	1,124,307	987,047	1,457,977	1,380,734
6	less:REVENUE AT PRESENT RATES	7,630,737	1,354,865	1,031,692	509,992	377,293	195,178	222,606	732,489	716,299	1,109,591	1,380,734
7	(in the projected test year)											
8	equals: GAS SALES REVENUE DEFICIENCY	1,780,561	269,953	173,852	201,966	86,231	9,510	28,097	391,818	270,748	348,385	0
9	plus:DEFICIENCY IN OTHER OPERATING REV	46,007	38,452	6,494	519	468	74	0	0	0	0	0
10	equals:TOTAL BASE-REVENUE DEFICIENCY	1,826,568	308,405	180,348	202,485	86,699	9,584	28,097	391,818	270,748	348,385	0
11	UNIT COSTS:											
12	Customer	29.241	13.289	25.664	122.435	168.786	152.696	292.394	797.317	1237.072	1748.339	4020.762
13	Capacity	0.408	0.919	0.962	1.206	1.396	1.808	1.410	0.829	0.804	0.666	0.145
14	Commodity	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005	0.0005

SUPPORTING SCHEDULES: E-1 p.2, H-1 p.8

RECAP SCHEDULES: H-1 p.2

SCHEDULE H-1
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE
EXPLANATION: FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

RATE OF RETURN BY CUSTOMER CLASS
SCHEDULE C, PAGE 1 OF 2: PRESENT RATES

LINE NO.		TOTAL	GS1/TS1	GS2/TS2	GS3/TS3	GS4/TS4	GS5/TS5	GS6/TS6	GS7/TS7	GS8/TS8	GS9/TS9	Special Contract
1	REVENUES: (projected test year)											
2	Gas Sales (due to growth)	7,630,737	1,354,865	1,031,692	509,992	377,293	195,176	222,606	732,489	716,299	1,109,591	1,380,734
3	Other Operating Revenue	60,333	36,333	21,000	2,200	600	200	0	0	0	0	0
4	Total	7,691,070	1,391,198	1,052,692	512,192	377,893	195,376	222,606	732,489	716,299	1,109,591	1,380,734
5	EXPENSES:											
6	Purchased Gas Cost	0	0	0	0	0	0	0	0	0	0	0
7	O&M Expenses	4,617,575	1,037,037	821,013	488,540	268,468	74,664	78,597	471,124	377,575	323,099	677,458
8	Depreciation Expenses	1,201,074	136,315	86,018	66,456	67,964	64,108	77,764	153,184	140,062	259,234	149,968
9	Amortization Expenses	172,073	4,062	3,921	5,372	5,039	4,422	5,391	15,053	15,552	30,631	82,631
10	Taxes Other Than Income--Fixed	459,789	62,504	36,098	16,058	14,250	7,559	11,492	67,025	64,265	125,741	54,798
11	Taxes Other Than Income--Revenue	38,154	6,774	5,158	2,550	1,686	976	1,113	3,662	3,561	5,548	6,904
	Total Expses excl. Income Taxes	6,488,666	1,246,692	952,208	578,976	357,807	151,729	174,357	710,049	601,036	744,253	971,759
12	INCOME TAXES:	476,198	65,268	38,545	23,508	23,997	21,390	26,568	59,320	52,842	97,411	67,348
13	NET OPERATING INCOME:	726,206	79,238	61,939	(90,292)	(3,711)	22,257	21,680	(36,880)	62,421	267,927	341,627
14	RATE BASE:	21,321,701	2,922,388	1,725,833	1,052,559	1,074,485	957,734	1,189,580	2,656,053	2,366,001	4,361,573	3,015,496
15	RATE OF RETURN	3.41%	2.71%	3.59%	-8.58%	-0.35%	2.32%	1.82%	-1.39%	2.64%	6.14%	11.33%

SUPPORTING SCHEDULES: E-1 p.2, H-1 p.5, H-1 p.6,

RECAP SCHEDULES:

SCHEDULE H-1
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE
EXPLANATION: FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

RATE OF RETURN BY CUSTOMER CLASS
SCHEDULE C, PAGE 2 OF 2

LINE NO.		TOTAL	GS1/TS1	GS2/TS2	GS3/TS3	GS4/TS4	GS5/TS5	GS6/TS6	GS7/TS7	GS8/TS8	GS9/TS9	Special Contract
1	REVENUES:											
2	Gas Sales	9,411,298	1,624,818	1,205,544	711,958	463,525	204,686	250,703	1,124,307	987,047	1,457,977	1,380,734
3	Other Operating Revenue	106,340	74,785	27,494	2,719	1,068	274	0	0	0	0	0
4	Total	9,517,638	1,699,603	1,233,038	714,677	464,593	204,960	250,703	1,124,307	987,047	1,457,977	1,380,734
5	EXPENSES:											
6	Purchased Gas Cost	0	0	0	0	0	0	0	0	0	0	0
7	O&M Expenses	4,617,575	1,037,037	821,013	488,540	268,468	74,664	78,597	471,124	377,575	323,099	677,458
8	Depreciation Expenses	1,201,074	136,315	86,018	66,456	67,964	64,108	77,764	153,184	140,062	259,234	149,968
9	Amortization Expenses	172,073	4,062	3,921	5,372	5,039	4,422	5,391	15,053	15,552	30,631	82,631
10	Taxes Other Than Income--Fixed	459,789	62,504	36,098	16,058	14,250	7,559	11,492	67,025	64,265	125,741	54,798
11	Taxes Other Than Income--Revenue	695,429	139,324	103,373	61,049	39,746	17,551	21,497	96,407	84,637	125,018	6,827
12	Total Expses excl. Income Taxes	7,145,941	1,379,242	1,050,422	637,475	395,467	168,304	194,741	802,793	682,091	863,724	971,682
13	PRE TAX NOI:	2,371,697	320,361	182,616	77,203	69,126	36,655	55,962	321,514	304,955	594,253	409,052
14	INCOME TAXES:	476,198	63,332	35,709	14,431	13,028	6,906	10,583	59,969	56,304	109,293	106,643
15	NET OPERATING INCOME:	1,895,499	257,029	146,907	62,772	56,098	29,749	45,378	261,545	248,652	484,960	302,409
16	RATE BASE:	21,321,701	2,922,388	1,725,833	1,052,559	1,074,485	957,734	1,189,580	2,656,053	2,366,001	4,361,573	3,015,496
17	RATE OF RETURN	8.89%	8.80%	8.51%	5.96%	5.22%	3.11%	3.81%	9.85%	10.51%	11.12%	10.03%

SUPPORTING SCHEDULES: E-1 p.3, H-1 p.5, H-1 p.6

RECAP SCHEDULES: H-1 p.2

SCHEDULE H-1
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE
EXPLANATION: FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

PROPOSED RATE DESIGN
SCHEDULE B

LINE NO.		TOTAL	GS1/TS1	GS2/TS2	GS3/TS3	GS4/TS4	GS5/TS5	GS6/TS6	GS7/TS7	GS8/TS8	GS9/TS9	Special Contract
1	PRESENT RATES (projected test year)											
2	GAS SALES (due to growth)	7,630,737	1,354,865	1,031,892	509,992	377,293	195,176	222,606	732,489	716,299	1,109,591	1,380,734
3	OTHER OPERATING REVENUE	60,333	36,333	21,000	2,200	600	200	0	0	0	0	0
4	TOTAL	7,691,070	1,391,198	1,052,892	512,192	377,893	195,376	222,606	732,489	716,299	1,109,591	1,380,734
5	RATE OF RETURN	3.41%	2.71%	3.59%	-8.58%	-0.35%	2.32%	1.82%	-1.39%	2.64%	6.14%	11.33%
6	INDEX	1.00	0.80	1.05	-2.52	-0.10	0.68	0.54	-0.41	0.77	1.80	3.33
7	COMPANY PROPOSED RATES											
8	GAS SALES	9,411,296	1,624,818	1,205,544	711,958	463,525	204,686	250,703	1,124,307	987,047	1,457,977	1,380,734
9	OTHER OPERATING REVENUE	106,340	74,785	27,494	2,719	1,068	274	0	0	0	0	0
10	TOTAL	9,517,638	1,699,603	1,233,038	714,677	464,593	204,960	250,703	1,124,307	987,047	1,457,977	1,380,734
11	TOTAL REVENUE INCREASE	1,826,568	308,405	180,346	202,485	86,699	9,584	28,097	391,818	270,748	348,385	0
12	PERCENT INCREASE	23.75%	22.17%	17.13%	39.53%	22.94%	4.91%	12.62%	53.49%	37.80%	31.40%	0.00%
13	RATE OF RETURN	8.89%	8.80%	8.51%	5.96%	5.22%	3.11%	3.81%	9.65%	10.51%	11.12%	10.03%
14	INDEX	100.00%	98.93%	95.75%	67.08%	58.73%	34.94%	42.91%	110.77%	118.22%	125.07%	112.81%

SUPPORTING SCHEDULES: H-1 p.3, H-1 p.4

RECAP SCHEDULES:

SCHEDULE H-1
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE
EXPLANATION: FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

CALCULATION OF PROPOSED RATES
SCHEDULE A

LINE NO.		TOTAL	GS1	TS1	GS2	TS2	GS3	TS3	GS4	TS4	GS5	TS5	GS6	TS6	GS7	TS7	GS8	TS8	GS9	TS9	Special Contract
1	PROPOSED TOTAL TARGET REVENUES	9,517,638	1,699,603		1,233,038		714,677		464,593		204,960		250,703		1,124,307		987,047		1,457,977		1,380,734
2	LESS:OTHER OPERATING REVENUE (GS+TS	106,340	74,785		27,494		2,719		1,068		274										
3	LESS:CUSTOMER CHARGE REVENUES																				
4	PROPOSED CUSTOMER CHARGES		$15.00	$20.00	$22.50	$32.50	$32.50	$42.50	$40.00	$55.00	$100.00	$125.00	$175.00	$200.00	$250.00	$300.00	$350.00	$500.00	$500.00	$700.00	
5	NUMBER OF BILLS	141,372	98,736	0	36,096	360	3,024	480	720	576	156	144	120	120	72	396	24	156	36	72	84
6	CUSTOMER CHARGE REV. BY RATE CLASS		1,481,040	0	812,160	11,700	98,280	20,400	28,800	31,680	15,600	18,000	21,000	24,000	18,000	118,800	8,400	78,000	18,000	50,400	0
7	TOTAL GS + TS CUSTOMER CHARGE REV.	2,854,260	1,481,040	0	823,860		118,680		60,480		33,600		45,000		136,800		86,400		68,400		
8	(Incremental transportation Customer Charge	81,240		0		3600		4800		8640		3600		3000		19800		23400		14400	
9	LESS:OTHER NON-THERM-RATE REVENUES																				
10	EQUALS:PER-THERM TARGET REVENUES	6,557,038	143,778		381,684		593,278		403,045		171,086		205,703		987,507		900,647		1,389,577		1,380,734
11	DIVIDED BY:NUMBER OF THERMS	120,598,144	1,406,857		1,904,803		2,026,694		1,618,148		862,203		1,259,939		9,292,500		9,309,000		16,768,000		76,150,000
12	GS/TS BASE RATE PER-THERM (UNRNDED)		0.102198		0.200380		0.292732		0.249078		0.198429		0.163264		0.106269		0.096750		0.082871		VARIOUS
13	GS/TS BASE RATE PER-THERM (RNDED)		0.10220		0.20038		0.29273		0.24908		0.19843		0.16326		0 10627		0.09675		0.08287		VARIOUS
14	PER-THERM-RATE REVENUES(RNDED RATE	6,557,030	143,781		381,684		593,274		403,048		171,087		205,698		987,514		900,646		1,389,564		1,380,734
15	SUMMARY:PROPOSED TARIFF RATES																				
16	CUSTOMER CHARGES		$15.00	$20.00	$22.50	$32.50	$32.50	$42.50	$40.00	$55.00	$100.00	$125.00	$175.00	$200.00	$250.00	$300.00	$350.00	$500.00	$500.00	$700.00	VARIOUS
17	ENERGY CHARGES																				
18	NON-GAS (CENTS PER THERM)		10.220	10.220	20.038	20.038	29.273	29.273	24.908	24.908	19.843	19.843	16.326	16.326	10.627	10.627	9.675	9.675	8.287	8.287	VARIOUS
19	PURCHASED GAS ADJUSTMENT		39.842	0.000	39.842	0.000	39.642	0.000	39.642	0.000	39.642	0.000	39.642	0.000	39.642	0.000	39.642	0.000	39.642	0.000	
20	TOTAL (INCLUDING PGA)		49.862	10.220	59.680	20.038	68.915	29.273	64.550	24.908	59.485	19.843	55.968	16.326	50.269	10.627	49.317	9.675	47.929	8.287	VARIOUS
21	SUMMARY:PRESENT TARIFF RATES		RES				COM						LVCOM		IND	FTS	INT	CTS			
22	CUSTOMER CHARGES		$7.00				$15.00						$20.00		$40.00	$40.00	$350.00	$350.00			VARIOUS
23	ENERGY CHARGES																				
24	NON-GAS (CENTS PER THERM)		46.905				22.115						17.287		7.889	7.889	5.312	5.312			VARIOUS
25	PURCHASED GAS ADJUSTMENT		39.642				39.642						39.642		39.642	0.000	39.642	0.000			
26	TOTAL (INCLUDING PGA)		86.547				61.757						56.929		47.531	7.889	44.954	5.312			VARIOUS
27	SUMMARY:OTHER OPERATING REVENUE		PRESENT REVENUE				PROPOSED REVENUE														
28	CONNECTION CHARGE-RESIDENTIAL		$22.00	$42,570			$30.00	$73,770													
29	CONNECTION CHARGE-COMMERCIAL		$22.00	$550			$60.00	$1,320													
30	RECONNECTION CHARGE-RESIDENTIAL		$22.00	$12,298			$30.00	$18,000													
31	RECONNECTION CHARGE-COMMERCIAL		$22.00	$550			$60.00	$1,500													
32	COLLECTION IN LIEU OF DISCONNECT		$9.00	$0			$15.00	$2,250													
33	CHANGE OF ACCOUNT		$0.00	$0			$20.00	$2,000													
34	RETURN CHECK CHARGE		$15.00	$4,365			$25.00	$7,500													
35				$60,333				106,340													

SUPPORTING SCHEDULES: E-2 p.1, E-3 p.1-6, H-1 p.2

RECAP SCHEDULES:

SCHEDULE H-2
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE
EXPLANATION: FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY (SUMMARY)

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

LINE NO.	SUMMARY:	TOTAL	CUSTOMER	CAPACITY	COMMODITY	REVENUE
1	ATTRITION	0	0	0	0	0
2	O&M	4,817,575	3,244,168	1,317,935	55,472	0
3	DEP.	1,201,074	293,549	907,526	0	0
4	AMORTIZATION OF OTHER GAS PLANT	71,812	0	71,812	0	0
5	AMORTIZATION OF PROPERTY LOSS	100,262	0	100,262	0	0
6	AMORTIZATION OF LIMITED TERM INVESTMENT	0	0	0	0	0
7	AMORTIZATION OF ACQUISITION ADJUSTMENT	0	0	0	0	0
8	AMORTIZATION OF CONVERSION COSTS	0	0	0	0	0
9	TAXES OTHER THAN INCOME TAXES	1,155,218	112,375	347,414	0	695,429
10	RETURN	1,895,499	471,572	1,423,549	377	0
11	INCOME TAXES	476,198	118,471	357,632	95	0
12	REVENUE CREDITED TO COST OF SERVICE	(106,340)	(106,340)	0	0	0
13	TOTAL COST OF SERVICE	9,411,298	4,133,795	4,526,129	55,944	695,429
14	RATE BASE	21,321,701	5,304,528	16,012,930	4,244	0
15	KNOWN DIRECT & SPECIAL ASSIGNMENTS:					
16	RATE BASE ITEMS(PLANT-ACC.DEP):					
17	381-382 METERS	1,648,764	1,648,764	0	0	0
18	383-384 HOUSE REGULATORS	624,275	624,275	0	0	0
19	385 INDUSTRIAL MEAS.& REG.EQ.	1,116,552	0	1,116,552	0	0
20	376 MAINS	11,863,787	0	11,863,787	0	0
21	380 SERVICES	2,789,936	2,789,936	0	0	0
22	378 MEAS.& REG.STA.EQ.-GEN.	582,638	0	582,638	0	0
23	O & M ITEMS					
24	892 Maint. of Services	36,274	36,274	0	0	0
25	876 MEAS.& REG.STA.EQ.IND.	0	0	0	0	0
26	878 METER & HOUSE REG.	324,879	324,879	0	0	0
27	890 MAINT.OF MEAS.& REG.STA.EQ.-IND	45,218	0	45,218	0	0
28	893 MAINT.OF METERS AND HOUSE REG.	79,834	79,834	0	0	0
29	874 MAINS AND SERVICES	219,299	39,570	179,729	0	0
30	887 MAINT. OF MAINS	108,796	0	108,796	0	0

SUPPORTING SCHEDULES: H-3 p.1

RECAP SCHEDULES: H-2 p.2-4

SCHEDULE H-2
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE
EXPLANATION: FULLY ALLOCATED EMBEDDED COST
COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

DEVELOPMENT OF ALLOCATION FACTORS
SCHEDULE G

LINE NO.		TOTAL	GS1/TS1	GS2/TS2	GS3/TS3	GS4/TS4	GS5/TS5	GS6/TS6	GS7/TS7	GS8/TS8	GS9/TS9	Special Contract
1	CUSTOMER COSTS											
2	No. of Customers	11,781	8,228	3,038	292	108	25	20	39	15	9	7
3	Weighting	NA	1.00	1.32	1.89	6.29	14.25	30.63	53.40	65.58	132.03	1,034.54
4	Weighted No. of Customers	25,940.72	8,228.00	4,015.13	552.98	679.25	356.31	612.55	2,082.74	983.65	1,188.30	7,241.79
5	Allocation Factors	1	31.72%	15.48%	2.13%	2.62%	1.37%	2.36%	8.03%	3.79%	4.58%	27.92%
6	CAPACITY COSTS											
7	Peak & Avg. Month Sales Vol.(therms)	11,103,929	187,882	172,232	183,253	146,313	77,960	112,403	784,392	839,723	1,706,702	6,893,069
8	Allocation Factors	1	1.692%	1.551%	1.650%	1.318%	0.702%	1.012%	7.064%	7.562%	15.370%	62.078%
9	MAIN ALLOCATION DOLLARS	13,707,825	451,512	451,512	709,660	709,660	709,660	835,298	1,521,400	1,521,400	2,905,383	3,892,340
10	Allocation Factors	1	3.29%	3.29%	5.18%	5.18%	5.18%	6.09%	11.10%	11.10%	21.20%	28.40%
11	COMMODITY COSTS											
12	Annual Sales Vol.(therms)	120,598,144	1,406,857	1,904,803	2,026,894	1,618,148	862,203	1,259,939	9,292,500	9,309,000	16,768,000	76,150,000
13	Allocation Factors	1	1.17%	1.58%	1.68%	1.34%	0.71%	1.04%	7.71%	7.72%	13.90%	63.14%
14	REVENUE-RELATED COSTS											
15	Tax on Cust,Cap,& Commod.	86,723	14,781	10,967	6,477	4,217	1,862	2,281	10,228	8,979	13,263	13,670
16	Allocation Factors	1	17.04%	12.65%	7.47%	4.86%	2.15%	2.63%	11.79%	10.35%	15.29%	15.76%

SUPPORTING SCHEDULES: E-2 p.3, E-4 p.1, H-2 p.8

RECAP SCHEDULES: H-2 p.2-4

SCHEDULE H-2
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE
EXPLANATION: FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

ALLOCATION OF RATE BASE TO CUSTOMER CLASSES
SCHEDULE F

LINE NO.	RATE BASE BY CUSTOMER CLASS	TOTAL	GS1/TS1	GS2/TS2	GS3/TS3	GS4/TS4	GS5/TS5	GS6/TS6	GS7/TS7	GS8/TS8	GS9/TS9	Special Contract
1	DIRECT AND SPECIAL ASSIGNMENTS:											
2	Customer											
3	Meters	1,646,764	718,211	350,478	48,269	59,291	31,102	53,469	161,799	85,862	103,725	14,560
4	House Regulators	624,275	272,588	133,019	18,320	22,503	11,804	20,294	69,000	32,588	39,368	4,791
5	Services	2,789,936	1,227,642	599,070	82,506	101,347	53,163	91,395	310,751	146,764	177,298	0
6	General Plant	617,421	271,679	132,576	18,259	22,429	11,766	20,227	68,770	32,479	39,237	0
7	All Other	(373,868)	(164,511)	(80,279)	(11,056)	(13,581)	(7,124)	(12,247)	(41,642)	(19,667)	(23,759)	0
8	Total	5,304,528	2,325,609	1,134,862	156,297	191,989	100,710	173,136	588,677	278,026	335,868	19,351
9	Capacity											
10	Industrial Meas.& Reg. Sta. Eq.	1,116,552	36,205	33,190	35,313	26,195	15,023	21,660	151,154	161,817	328,886	305,109
11	Meas.&Reg.Sta.Eq.-Gen.	562,838	23,291	21,351	22,717	18,138	9,665	13,934	97,239	104,099	211,578	40,827
12	Mains	11,863,787	451,512	451,512	709,660	709,660	709,660	835,298	1,521,400	1,521,400	2,905,383	2,048,302
13	General Plant	617,421	10,447	9,577	10,190	8,136	4,335	6,250	43,615	46,692	94,899	383,281
14	All Other	1,852,332	75,274	75,274	116,311	118,311	118,311	139,256	253,640	253,640	484,370	215,948
15	Total	16,012,930	596,730	590,904	896,191	882,439	856,993	1,016,399	2,067,049	2,087,647	4,025,115	2,993,465
16	Commodity											
17	Account #	0										
18	Account #	0										
19	Account #	0										
20	All Other	4,244	50	87	71	57	30	44	327	328	590	2,680
21	Total	4,244	50	67	71	57	30	44	327	328	590	2,680
22	TOTAL	21,321,701	2,922,388	1,725,833	1,052,559	1,074,485	957,734	1,189,580	2,656,053	2,366,001	4,361,573	3,015,496

SUPPORTING SCHEDULES: H-2 p.5, H-2 p.6

RECAP SCHEDULES: H-2 p.1

SCHEDULE H-2
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE

EXPLANATION: FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES
SCHEDULE E 1 OF 2

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

LINE NO.		TOTAL	GS1/TS1	GS2/TS2	GS3/TS3	GS4/TS4	GS5/TS5	GS6/TS6	GS7/TS7	GS8/TS8	GS9/TS9	Special Contract
1	OPERATIONS AND MAINTENANCE EXPENSE:											
2	DIRECT AND SPECIAL ASSIGNMENTS:											
3	Customer											
4	876 Meters and House Regulators	324,879	142,955	69,760	9,608	11,802	6,191	10,643	36,186	17,090	20,646	0
5	893 Maint. of Meters & House Reg.	79,834	32,751	15,982	2,201	2,704	1,418	2,438	8,280	3,915	4,730	5,404
6	874 Mains & Services	39,570	17,114	8,351	1,150	1,413	741	1,274	4,332	2,046	2,472	877
7	892 Maint. of Services	36,274	15,961	7,789	1,073	1,318	691	1,188	4,040	1,906	2,305	0
8	All Other	2,763,611	771,339	662,715	390,363	169,000	19,427	24,350	217,337	149,087	99,925	260,068
9	Total	3,244,168	980,120	764,598	404,395	186,235	28,469	39,893	270,185	174,046	130,078	266,149
10	Capacity											
11	876 Measuring & Reg. Sta. Eq.- I	0	0	0	0	0	0	0	0	0	0	0
12	890 Maint. of Meas.& Reg.Sta.Eq.-I	45,218	899	824	877	700	373	536	3,753	4,018	6,167	25,069
13	874 Mains and Services	179,729	7,868	7,213	7,675	6,128	3,265	4,707	32,850	35,167	71,476	3,380
14	887 Maint. of Mains	108,796	4,784	4,784	7,520	7,520	7,520	8,851	16,122	16,122	30,787	4,785
15	All Other	984,192	42,718	42,718	67,141	67,141	34,641	24,028	143,940	143,940	74,879	343,048
16	Total	1,317,935	56,270	55,539	83,212	81,489	45,799	38,124	196,665	199,247	185,308	376,282
17	Commodity											
18	Account #	0										
19	Account #	0										
20	Account #	0										
21	All Other	55,472	647	876	932	744	397	580	4,274	4,282	7,713	35,027
22	Total	55,472	647	876	932	744	397	580	4,274	4,282	7,713	35,027
23	TOTAL O&M	4,617,575	1,037,037	821,013	488,540	268,468	74,664	78,597	471,124	377,575	323,099	677,458
24	DEPRECIATION EXPENSE:											
25	Customer	293,549	96,233	47,936	6,602	8,110	4,254	7,313	24,866	11,744	14,187	70,304
26	Capacity	907,526	38,082	38,082	59,854	59,854	59,854	70,451	128,319	128,319	245,047	79,664
27	Total	1,201,074	136,315	86,018	66,456	67,964	64,108	77,764	153,184	140,062	259,234	149,968
28	AMORT. OF GAS PLANT:											
29	Capacity	71,812	2,365	2,365	3,718	3,718	3,718	4,376	7,970	7,970	15,221	20,391
30	AMORT. OF CIS:											
31	Capacity	100,262	1,696	1,555	1,855	1,321	704	1,015	7,083	7,582	15,410	62,240
32	AMORT OF LIMITED TERM INVEST.											
33	Capacity	0	0	0	0	0	0	0	0	0	0	0
34	AMORT. OF ACQUISITION ADJ.:											
35	Customer	0	0	0	0	0	0	0	0	0	0	0
36	Capacity	0	0	0	0	0	0	0	0	0	0	0
37	Total	0	0	0	0	0	0	0	0	0	0	0
38	AMORT. OF CONVERSION COSTS:											
39	Commodity	0	0	0	0	0	0	0	0	0	0	0

SUPPORTING SCHEDULES: H-2 p.5, H-2 p.6

RECAP SCHEDULES: H-2 p.1

SCHEDULE H-2
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE

EXPLANATION: FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES
SCHEDULE E 2 DF 2

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

LINE NO.		TOTAL	GS1/TS1	GS2/TS2	GS3/TS3	GS4/TS4	GS5/TS5	GS6/TS6	GS7/TS7	GS8/TS8	GS9/TS9	Special Contract
1	TAXES OTHER THAN INCOME TAXES:											
2	Customer	112,375	49,448	24,130	3,323	4,082	2,141	3,681	12,517	5,911	7,141	0
3	Capacity	347,414	13,056	11,969	12,734	10,167	5,416	7,811	54,508	58,353	118,600	54,798
4	Subtotal	459,789	62,504	36,098	16,056	14,250	7,559	11,492	67,025	64,265	125,741	54,798
5	Revenue	695,429	139,324	103,373	61,049	39,746	17,551	21,497	96,407	84,637	125,016	8,827
6	Total	1,155,218	201,828	139,471	77,106	53,996	25,110	32,989	163,431	148,902	250,760	61,625
7	RETURN (NOI)											
8	Customer	471,572	206,936	100,981	13,908	17,063	8,961	15,406	52,381	24,739	29,886	1,291
9	Capacity	1,423,549	50,061	45,910	48,847	39,001	20,781	29,962	209,085	223,833	454,932	301,118
10	Commodity	377	12	16	17	14	7	11	79	79	142	0
11	Total	1,895,499	257,029	146,907	62,772	56,098	29,749	45,376	261,545	248,652	484,960	302,409
12	INCOME TAXES											
13	Customer	118,471	52,130	25,439	3,504	4,304	2,257	3,881	13,196	6,232	7,529	0
14	Capacity	357,632	11,199	10,266	10,923	8,721	4,647	6,700	46,754	50,052	101,728	106,643
15	Commodity	95	3	4	4	3	2	3	20	20	36	0
16	Total	476,198	63,332	35,709	14,431	13,028	6,906	10,583	59,969	56,304	109,293	106,643
17	REVENUE CREDITED TO COS:											
18	Customer	(106,340)	(74,785)	(27,494)	(2,719)	(1,068)	(274)					
19	TOTAL COST OF SERVICE:											
20	Customer	4,133,795	1,312,082	935,590	429,012	216,746	45,809	70,174	373,144	222,673	188,821	337,744
21	Capacity	4,528,129	172,749	165,685	220,944	204,271	140,920	158,439	650,383	675,356	1,136,247	1,001,136
22	Commodity	55,944	662	896	954	761	406	593	4,373	4,381	7,891	35,027
23	Subtotal	8,715,889	1,485,493	1,102,172	650,910	423,778	187,135	229,206	1,027,900	902,410	1,332,958	1,373,907
24	Revenue	695,429	139,324	103,373	61,049	39,746	17,551	21,497	96,407	84,637	125,018	8,827
25	Total	9,411,298	1,624,818	1,205,544	711,958	463,525	204,686	250,703	1,124,307	987,047	1,457,977	1,380,734

SUPPORTING SCHEDULES: H-2 p.5, H-2 p.6

RECAP SCHEDULES: H-2 p.1

SCHEDULE H-2
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE
EXPLANATION: FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY (SUMMARY)

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

LINE NO.	SUMMARY	TOTAL	GS1/TS1	GS2/TS2	GS3/TS3	GS4/TS4	GS5/TS5	GS6/TS6	GS7/TS7	GS8/TS8	GS9/TS9	Special Contract
1	RB	21,321,701	2,922,388	1,725,833	1,052,559	1,074,485	957,734	1,189,580	2,656,053	2,366,001	4,361,573	3,015,496
2	ATTRITION	0	0	0	0	0	0	0	0	0	0	0
3	O&M	4,617,575	1,037,037	821,013	488,540	268,468	74,664	76,597	471,124	377,575	323,099	677,458
4	DEPRECIATION	1,201,074	138,315	86,016	66,456	67,964	64,108	77,764	153,184	140,062	259,234	149,968
5	AMORTIZATION EXPENSES	172,073	4,062	3,921	5,372	5,039	4,422	5,391	15,053	15,552	30,631	82,631
6	TAXES OTHER THAN INCOME - OTHER	459,789	62,504	36,098	18,058	14,250	7,559	11,492	67,025	64,265	125,741	54,798
7	TAXES OTHER THAN INCOME - REV. RELATED	695,429	139,324	103,373	61,049	39,746	17,551	21,497	96,407	84,637	125,016	6,827
8	INCOME TAXES TOTAL	476,198	63,332	35,709	14,431	13,028	6,906	10,583	59,969	56,304	109,293	106,643
9	REVENUE CREDITED TO COS:	(106,340)	(74,785)	(27,494)	(2,719)	(1,068)	(274)	-	-	0	0	0
10	TOTAL COST - CUSTOMER	4,133,795	1,312,082	935,590	429,012	218,746	45,809	70,174	373,144	222,673	188,821	337,744
11	TOTAL COST - CAPACITY	4,526,129	172,749	165,685	220,944	204,271	140,920	158,439	650,383	675,356	1,136,247	1,001,136
12	TOTAL COST - COMMODITY	55,944	662	896	954	761	406	593	4,373	4,381	7,891	35,027
13	TOTAL COST - REVENUE	695,429	139,324	103,373	61,049	39,746	17,551	21,497	96,407	84,637	125,016	6,827
14	NO. OF CUSTOMERS	11,781	8,228	3,036	292	108	25	20	39	15	9	7
15	PEAK MONTH SALES	11,103,929	187,882	172,232	183,253	146,313	77,960	112,403	764,392	839,723	1,706,702	6,893,069
16	ANNUAL SALES	120,596,144	1,408,857	1,904,803	2,026,694	1,618,148	862,203	1,259,939	9,292,500	9,309,000	16,768,000	76,150,000

SUPPORTING SCHEDULES: H-2 p.2-5

RECAP SCHEDULES: H-1 p.6

SCHEDULE H-3
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE

EXPLANATION: PROVIDE A FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

CLASSIFICATION OF RATE BASE - PLANT
SCHEDULE I: PAGE 1 OF 2

LINE NO.		TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
1	LOCAL STORAGE PLANT					100% capacity
2	INTANGIBLE PLANT:	1,040,068		1,040,068		"
3	PRODUCTION PLANT					"
4	DISTRIBUTION PLANT:					
5	374 Land and Land Rights	28,635		28,635		"
6	375 Structures and Improvements	251,056		251,056		"
7	376 Mains	17,353,136		17,353,136		"
8	377 Comp.Sta.Eq.					"
9	378 Meas.& Reg.Sta Eq.-Gen	686,297		686,297		"
10	379 Meas.& Reg.Sta.Eq.-CG	1,377,657		1,377,657		"
11	380 Services	3,820,566	3,820,566			100% customer
12	381-382 Meters	2,343,529	2,343,529			"
13	383-384 House Regulators	870,213	670,213			"
14	385 Industrial Meas.& Reg.Eq.	1,443,927		1,443,927		100% capacity
15	386 Property on Customer Premises					ac 374-385
16	387 Other Equipment	328,073	81,908	246,165		ac 374-386
17	Total Distribution Plant	28,503,088	7,116,216	21,386,872		28503088
18	GENERAL PLANT:	2,305,299	1,152,650	1,152,650		50% customer,50%, capacity
19	PLANT ACQUISITIONS:					100% capacity
20	GAS PLANT FOR FUTURE USE:					"
21	CWIP:					dist.plant
22	TOTAL PLANT	31,848,455	8,268,865	23,579,590		

SUPPORTING SCHEDULES: G-1 p.1, G-1 p.4, G-1 p.10

RECAP SCHEDULES: H-3 p.1

SCHEDULE H-3
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE

EXPLANATION: PROVIDE A FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

CLASSIFICATION OF RATE BASE
ACCUMULATED DEPRECIATION
SCHEDULE I: PAGE 2 OF 2

LINE NO.		TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
1	LOCAL STORAGE PLANT:	(522,578)	(522,578)			related plant
	INTANGIBLE PLANT:	(583,452)		(583,452)		rel.plant account
3	PRODUCTION PLANT					"
4	DISTRIBUTION PLANT:					
5	375 Structures and Improvements	(55,545)		(55,545)		"
6	376 Mains	(5,489,349)		(5,489,349)		"
7	377 Compressor Sta. Eq.					"
8	378 Meas.& Reg.Sta. Eq.-Gen	(123,459)		(123,459)		"
9	379 Meas.& Reg.Sta. Eq.-CG	(276,494)		(276,494)		"
10	380 Services	(1,030,630)	(1,030,630)			"
11	381-382 Meters	(696,765)	(696,765)			"
12	383-384 House Regulators	(245,938)	(245,938)			"
13	385 Indust.Meas.& Reg.Sta.Eq.	(327,375)		(327,375)		"
14	386 Property on Customer Premises					"
15	387 Other Equipment	(190,140)	(47,471)	(142,669)		"
16	Total A.D. on Dist. Plant	(8,435,695)	(2,020,804)	(6,414,891)		
17	GENERAL PLANT:	(1,070,457)	(535,228)	(535,228)		general plant
18	PLANT ACQUISITIONS:					plant acquisitions
19	RETIREMENT WORK IN PROGRESS:					distribution plant
20	TOTAL ACCUMULATED DEPRECIATION	(10,612,182)	(3,076,611)	(7,533,571)		
21	NET PLANT (Plant less Accum.Dep.)	21,236,273	5,190,255	16,046,019		
22	less:CUSTOMER ADVANCES	(267,828)	(133,914)	(133,914)		50%-50% cust--cap
23	plus:WORKING CAPITAL	353,256	248,187	100,825	4,244	oper. and maint. exp.
24	equals:TOTAL RATE BASE	21,321,701	5,304,528	16,012,930	4,244	

SUPPORTING SCHEDULES: G-1 p.1, G-1 p.4, G-1 p.12

RECAP SCHEDULES: H-3 p.1

SCHEDULE H-3
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE

EXPLANATION: PROVIDE A FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

CLASSIFICATION OF EXPENSES AND
DERIVATION OF COST OF SERVICE BY COST CLASSIFICATION
SCHEDULE H: PAGE 1 OF 2

LINE NO.		TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
1	OPERATIONS AND MAINTENANCE EXPENSES					
2	LOCAL STORAGE PLANT:					ac 301-320
3	PRODUCTION PLANT					100% capacity
4	DISTRIBUTION:					
5	870 Operation Supervision & Eng.	164,351	88,053	76,298		ac 871-879
6	871 Dist.Load Dispatch	138,493		138,493		100% capacity
7	872 Compr.Sta.Lab. & Ex.					ac 377
8	873 Compr.Sta.Fuel & Power					100% commodity
9	874 Mains and Services	219,299	39,570	179,729		ac376+ac380
10	875 Meas.& Reg. Sta.Eq.-Gen					ac 378
11	876 Meas.& Reg. Sta.Eq.-Ind.					ac 385
12	877 Meas.& Reg. Sta.Eq.-CG	8,462		8,462		ac 379
13	878 Meter and House Reg.	324,879	324,879			ac381+ac383
14	879 Customer Instal.	12,564	12,564			ac 386
15	880 Other Expenses	84,118	40,369	43,749		ac 387
16	881 Rents	31,990		31,990		100% capacity
17	885 Maintenance Supervision					ac886-894
18	886 Maint. of Struct. and Improv.					ac375
19	887 Maintenance of Mains	108,796		108,796		ac376
20	888 Maint. of Comp.Sta.Eq.					ac 377
21	889 Maint. of Meas.& Reg. Sta.Eq.-Gen	13,755		13,755		ac 378
22	890 Maint. of Meas.& Reg. Sta.Eq.-Ind.	45,218		45,218		ac 385
23	891 Maint. of Meas.& Reg.Sta.Eq.-CG	22,720		22,720		ac 379
24	892 Maintenance of Services	36,274	36,274			ac 380
25	893 Maint. of Meters and House Reg.	79,834	79,834			ac381-383
26	894 Maint. of Other Equipment	20,752	7,859	12,893		ac387
27	Total Distribution Expenses	1,311,505	629,402	682,103		
28	CUSTOMER ACCOUNTS:					
29	901 Supervision	92,933	92,933			100% customer
30	902 Meter-Reading Expense	103,723	103,723			"
31	903 Records and Collection Exp.	428,899	428,899			"
32	904 Uncollectible Accounts	29,247			29,247	100% commodity
33	905 Misc. Expenses					100% customer
34	Total Customer Accounts	654,802	625,554		29,247	
35	(907-910) CUSTOMER SERV.& INFO. EXP.	5,000	5,000			"
36	(911-916) SALES EXPENSE	437,747	437,747			"
37	(932) MAINT. OF GEN. PLANT	25,550	12,775	12,775		general plant
38	(920-931) ADMINISTRATION AND GENERAL	2,182,971	1,533,690	623,057	26,225	O&M excl. A&G
39	TOTAL O&M EXPENSE	4,617,575	3,244,168	1,317,935	55,472	

SUPPORTING SCHEDULES: G- 2 p.10-19

RECAP SCHEDULES: H-3 p.1

SCHEDULE H-3
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE

EXPLANATION: PROVIDE A FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

CLASSIFICATION OF EXPENSES AND DERIVATION
OF COST OF SERVICE BY COST CLASSIFICATION
SCHEDULE H: PAGE 2 OF 2

LINE NO.		TOTAL	CUSTOMER	CAPACITY	COMMODITY	REVENUE	CLASSIFIER
1	DEPRECIATION AND AMORTIZATION EXPENSE:						
2	Depreciation Expense	1,201,074	293,549	907,526			net plant
3	Amort. of Other Gas Plant	71,812		71,812			100% capacity
4	Amort. of CIS	100,262		100,262			100% capacity
5	Amort. of Limited-term Inv.						intangible plant
6	Amort. of Acquisition Adj.						intangible,distribution,and general plant
7	Amort. of Conversion Costs						100% commodity
8	Total Deprec. and Amort. Expense	1,373,148	293,549	1,079,599			
9	TAXES OTHER THAN INCOME TAXES:						
10	Revenue Related	695,429				695,429	100% revenue
11	Other	459,789	112,375	347,414			net plant
12	Total Taxes other than Income Taxes	1,155,218	112,375	347,414		695,429	
13	REV.CRDT TO COS(NEG.OF OTHR OPR.REV)	(106,340)	(106,340)				100% customer
14	RETURN (REQUIRED NOI) = 8.69%	1,895,499	471,572	1,423,549	377		rate base
15	INCOME TAXES	476,198	118,471	357,632	95		return(noi)
16	TOTAL OVERALL COST OF SERVICE	9,411,298	4,133,795	4,526,129	55,944	695,429	

SUPPORTING SCHEDULES: E-1 p.3, G-2 p.1, G-2 p.23

RECAP SCHEDULES: H-3 p.1

SCHEDULE H-3
FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO.: 000108-GU

COST OF SERVICE

EXPLANATION: PROVIDE A FULLY ALLOCATED EMBEDDED COST OF SERVICE STUDY (SUMMARY)

PAGE 5 OF 5

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: HOUSEHOLDER

LINE NO.		TOTAL	CUSTOMER	CAPACITY	COMMODITY	REVENUE
1	SUMMARY:					
2	ATTRITION					
3	O&M	4,617,575	3,244,168	1,317,935	55,472	
4	DEP.	1,201,074	293,549	907,526		
5	AMORTIZATION OF OTHER GAS PLANT	71,812		71,812		
8	AMORTIZATION OF PROPERTY LOSS	100,262		100,262		
7	AMORTIZATION OF LIMITED TERM INVESTMENT					
8	AMORTIZATION OF ACQUISITION ADJUSTMENT					
9	AMORTIZATION OF CONVERSION COSTS					
10	TOTAL TAXES OTHER THAN INCOME	1,155,218	112,375	347,414		695,429
11	RETURN	1,895,499	471,572	1,423,549	377	
12	INCOME TAXES	476,198	118,471	357,632	95	
13	REVENUES CREDITED TO COST OF SERVICE	(106,340)	(106,340)			
14	TOTAL COST	9,411,298	4,133,795	4,526,129	55,944	695,429
15	RATE BASE	21,321,701	5,304,528	16,012,930	4,244	
16	KNOWN DIRECT & SPECICAL ASSIGNMENTS:					
17	RATE BASE ITEMS(PLANT-ACC.DEP):					
18	381-382 METERS	1,646,764	1,646,764			
19	383-384 HOUSE REGULATORS	624,275	624,275			
20	385 INDUSTRIAL MEAS.& REG.EQ.	1,116,552		1,116,552		
21	376 MAINS	11,863,787		11,863,787		
22	380 SERVICES	2,789,936	2,789,936			
23	378 MEAS.& REG.STA.EQ.-GEN.	562,838		562,838		
24	O & M ITEMS					
25	892 MAINT. OF SERVICES	36,274	36,274			
26	878 MEAS.& REG.STA.EQ IND.					
27	878 METER & HOUSE REG.	324,879	324,879			
28	890 MAINT.OF MEAS.& REG.STA.EQ.-IND.	45,218		45,216		
29	893 MAINT.OF METERS AND HOUSE REG.	79,834	79,834			
30	874 MAINS AND SERVICES	219,299	39,570	179,729		
31	887 MAINT. OF MAINS	108,796		108,796		

SUPPORTING SCHEDULES: H-3 p.2-4

RECAP SCHEDULES: H-2 p.6

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.
DOCKET NO. 000108-GU
MINIMUM FILING REQUIREMENTS
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I

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SCHEDULE I-1 | CUSTOMER SERVICE - INTERRUPTIONS | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A LIST OF ANY INTERRUPTIONS IN SERVICES AFFECTING THE LESSER OF TEN PERCENT OR 500 OR MORE OF DIVISION METERS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: GEOFFROY

DESCRIPTION	CAUSE	DATE	DURATION

THERE WERE NO INTERRUPTIONS AFFECTING EITHER TEN PERCENT OR 500 METERS DURING THE HISTORIC TEST YEAR ENDING 12/31/99.

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE I-2 | NOTIFICATION OF COMMISSION RULE VIOLATIONS | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SUMMARY OF NOTICES RECEIVED BACK TO TO THE LAST RATE CASE NOT TO EXCEED FIVE YEARS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/
HIS. YR. LAST RATE CASE: 12/31/8
WITNESS: GEOFFROY

Line No.	DATE & NOTICE NUMBER	SUMMARY	CURRENT STATUS
1	GS-725-CFGWH Dated May 27, 1999	The Company failed to survey for and stop active corrosion on its pipeline system.	Violation has been corrected.
2	GS-721-CFGPC Dated April 27, 1999	Failure to provide identification markings on customer meters. Not providing corrosion control for gas pipelines at Kings Park Aparments.	Violations have been corrected.
3	GS-700-CFGPC Dated July 2, 1998	New Gate Station not equipped with odorization equipment. Periodic maintenance was not performed on pressure limiting and regulating equipment.	Violations have been corrected.
4	GS-701-CFGWH Dated June 30, 1998	Odorant injection system not operational. Cathodic protection pipe-to-soil potential readings do not meet the minimum requirements of a negative 850 millivolts.	Violations have been corrected.
5	GS-680-CFGWH Dated May 1, 1997	Cathodic protection deficiency in St. Cloud.	Violation has been corrected.
6	GS-676-CFGWH Dated March 28, 1997	Cathodic protection deficiency.	Violation has been corrected.
7	GS-653-CFGWH Dated June 4, 1996	Operator should be required to install adequate pipeline markers. Operator should be required to install odorizer at Bartow Gate Station. Operator should be required to provide adequate cathodic protection.	Violations have been corrected.
8	GS-618-CFGWH Dated July 5, 1995	Operator failed to install pressure relieving device. Operator failed to install sufficient test stations. Operator failed to install pipeline markers. Operator failed to provide adequate cathodic protection.	Violations have been corrected.

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE I-3	METER TESTING - PERIODIC TESTING	PAGE 1 OF 3
FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP. DOCKET NO.: 000108-GU	EXPLANATION: OF THOSE METERS WITH A RATED CAPACITY OF 250 cfh OR LESS AND NOT INCLUDED IN AN APPROVED STATISTICAL SAMPLING PLAN, PROVIDE A LIST OF ALL METERS THAT HAVE NOT BEEN TESTED FOR ACCURACY WITHIN 120 MONTHS. (AS OF TES1	TYPE OF DATA SHOWN: HISTORIC BASE YEAR DATA: 12/31/99 WITNES: GEOFFROY

COMPANY IDENTIFICATION NUMBER:	MANUFACTURER	TYPE / SIZE

All meters with a rated capacity of 250 cfh or less have been tested within 120 months of test year end.

SUPPORTING SCHEDULES:	RECAP SCHEDULES:

SCHEDULE I-3	METER TESTING - PERIODIC TESTING	PAGE 2 OF 3
FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP. DOCKET NO.: 000108-GU	EXPLANATION: PROVIDE A LIST OF ALL METERS WITH A RATED CAPACITY OF 251 cfh THROUGH 2500 cfh THAT HAVE NOT BEEN TESTED FOR ACCURACY WITHIN 120 MONTHS. (AS OF TEST YEAR END)	TYPE OF DATA SHOWN: HISTORIC BASE YEAR DATA: 12/31/99 WITNES: GEOFFROY

COMPANY IDENTIFICATION NUMBER:	MANUFACTURER	TYPE / SIZE

All meters with a rated capacity of 251 through 2500 cfh have been tested within 120 months of test year end.

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE I-3	METER TESTING - PERIODIC TESTING	PAGE 3 OF 3
FLORIDA PUBLIC SERVICE COMMISSION COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP. DOCKET NO.: 000108-GU	EXPLANATION: PROVIDE A LIST OF ALL METERS WITH A RATED CAPACITY OF OVER 2500 cfh THAT HAVE NOT BEEN TESTED FOR ACCURACY WITHIN 60 MONTHS. (AS OF TEST YEAR END)	TYPE OF DATA SHOWN: HISTORIC BASE YEAR DATA: 12/31/99 WITNES: GEOFFROY

COMPANY IDENTIFICATION NUMBER:	MANUFACTURER	TYPE / SIZE

All meters with a rated capacity of over 2500 cfh have been tested within 120 months of test year end.

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

SCHEDULE I-4 | RECORDS - VEHICLE ALLOCATION | PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A LIST OF VEHICLES INCLUDING A DESCRIPTION AND ANY ALLOCATION OF USE TO NON-UTILITY ACCOUNTS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
WITNESS: GEOFFROY

Line No.	Vehicle #	Description	Department Name	Allocation to Non-Utility
1	CT-8003	1997C-1500 1/2T PICKUP	Construction - Winter Haven	
2	CT-8005	1990 CHEVY C-1500	Construction - Winter Haven	See MFR schedule B-5, B-11, C-19 for allocati
3	CT-8008	1997 CHEVY TRUCK C35	Construction - Winter Haven	
4	CT-8012	1996 CHEVY 3500 1-TON TK	Construction - Winter Haven	
5	CT-8014	1991 CHEVY K1500 4 X 4	Construction - Winter Haven	
6	CT-8020	1999 CHEVY TRUCK C35	Construction - Winter Haven	
7	CT-8024	1999 CHEVY 3500 1 TON	Construction - Winter Haven	
8	CT-8025	1999 CHEVY 3500 1 TON	Construction - Winter Haven	
9	CT-8027	1993 CHEVY 1-TON	Construction - Winter Haven	
10	CT-8029	1994 CHEVY CK2500	Construction - Winter Haven	
11	CT-8039	1996 CHEVY C-200 W/4 TON TK	Construction - Winter Haven	
12	OT-8004	1997 CHEVY MALIBU	Gas Control - Distribution - FL	
13	AM-8018	1999 CHEVY LUMINA	Management - Florida - Business Affairs	
14	AM-8032	1995 CHEVY LUMINA	Management - Florida - Business Affairs	
15	AM-8001	1997 1/2T CHEV EXT/CAB TK	Management - Florida - Energy	
16	AM-8010	1998 CHEVY LUMINA	Management - Florida - Energy	
17	AS-8040	1996 CHEVY CORSICA	Marketing - Florida - Commercial Sales	
18	AS-8009	1996 CHEVY MALIBU	Marketing - Florida - Conservation	
19	AS-8035	1996 CHEVY CORSICA	Marketing - Florida - Developer Sales	
20	AS-8026	1999 CHEVY LUMINA	Marketing - Florida - Energy	
21	AS-8030	1994 CHEVY CORSICA	Marketing - Florida - Energy	
22	AS-8002	1997 1/2T CHEV EXT/CAB TK	Marketing - Florida - Residential Sales	
23	ST-8007	1997 CHEVY TRUCK C2500	Service - WH	
24	ST-8023	1999 CHEVY 2500 TRUCK	Service - WH	
25	ST-8033	1995 CHEVY - 3/4 TON TRUCK	Service - WH	
26	ST-8034	1995 FORD RANGER P/U	Service - WH	
27	ST-8041	1996 CHEVY C2500 TRUCK	Service - WH	
28	ST-8042	1996 CHEVY C2500 TRUCK	Service - WH	
29	OT-8021	1999 CHEVY BLAZER	Tech Services - Florida	
30	OT-8022	1999 CHEVY SILVERADO	Tech Services - Florida	
31	OT-8036	1996 CHEVY S-10 TRUCK	Tech Services - Florida	
32	OT-8037	1996 CHEVY S-10 TRUCK	Tech Services - Florida	
33	OT-8038	1996 CHEVY S-10 TRUCK	Tech Services - Florida	
34	OT-8006	1997 CHEVY VAN/C2500	Tech Services - Florida - Measurement	
35	OT-8011	1998 CHEVY VAN	Tech Services - Florida - Measurement	
36	OT-8017	1999 CHEVY VAN G20 MODEL	Tech Services - Florida - Measurement	

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF REGULATORY OVERSIGHT
BUREAU OF AUDITING SERVICES

Orlando District Office

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION

RATE CASE AUDIT

HISTORICAL 12-MONTH PERIOD ENDED DECEMBER 31, 1999

DOCKET NO. 000108-GU
AUDIT CONTROL NO. 00-159-3-1

Hillary Y. Sweeney, Audit Manager

Mike Buckley, Audit Staff

Robert Moore, Audit Staff

Thomas E. Stambaugh, Audit Staff

Charleston J. Winston, Audit Staff/Supervisor

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 000108-GU EXHIBIT NO. 7
COMPANY/
WITNESS: Sweeney
DATE: 10-16-00

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SUMMARY OF SIGNIFICANT PROCEDURES 2

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DIVISION OF REGULATORY OVERSIGHT
AUDITOR'S REPORT

AUGUST 7, 2000

TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED PARTIES

We have applied the procedures described later in this report to audit the accompanying Rate Base, Net Operating Income and Capital Structure schedules for the historical 12-month period ended December 31, 1999, for the Florida Division of Chesapeake Utilities Corporation. These schedules were prepared by the company as part of its petition for rate relief in Docket No. 000108-GU.

This is an internal accounting report prepared after performing a limited scope audit. Accordingly, this report should not be relied upon for any purpose except to assist the Commission staff in the performance of their duties. Substantial additional work would have to be performed to satisfy generally accepted auditing standards and produce audited financial statements for public use.

SUMMARY OF SIGNIFICANT FINDINGS

The utility did not make the adjustment per Commission Order No. 23166, issued July 10, 1990, to disallow $509,422 in acquisition adjustment.

The utility did not remove purchased gas adjustment (PGA) revenues, PGA expenses, and PGA taxes by $5,790,925, $5,791,942, and $28,983, respectively, for 2001 from its Minimum Filing Requirements (MFRs) filing.

The utility understated Account No. 242.8, Flex-Rate Liability by $10,305.

SUMMARY OF SIGNIFICANT PROCEDURES

Our audit was performed by examining, on a test basis, certain transactions and account balances which we believe are sufficient to base our opinion. Our examination did not entail a complete review of all the financial transactions of the company. Our more important audit procedures are summarized below. The following definitions apply when used in this report:

Compiled - The exhibit amounts were reconciled with the general ledger, and accounts were scanned for error or inconsistency.

Verify - The item was tested for accuracy and compared to the substantiating documentation.

Reviewed -The exhibit amounts were reconciled with the general ledger. The general ledger account balances were traced to subsidiary ledgers and selective analytical review procedures were applied.

Examined - The exhibit amounts were reconciled with the general ledger. The general ledger account balances were traced to subsidiary ledgers. Selective analytical review procedures were applied, and account balances were tested to the extent further described.

Confirmed - Evidential matter supporting an account balance, transaction, or other information was obtained directly from an independent third party.

RATE BASE: Examined account balances for utility-plant-in-service (UPIS), contributions-in-aid-of-construction (CIAC), accumulated depreciation, and accumulated amortization of CIAC from June 30, 1989. Reconciled rate base balances authorized in Commission Order No. 23166, issued July 10, 1990, to the June 30, 1989 general ledger balance. Tested plant account balances using stratified sample methods. Examined supporting documentation for sample CIAC additions selected using auditor judgment and agreed to FPSC-approved tariff amounts. Compiled working capital accounts. Tested additions to accumulated deprecation and accumulated amortization for proper rates and calculations. Tested working capital for interest-bearing amounts, unfunded reserves, and non-utility transactions using auditor judgment.

NET OPERATING INCOME: Compiled and reviewed utility revenue and operating and maintenance accounts for the year ended December 31, 1999. Chose a judgmental sample of customer bills and recalculated using FPSC-approved rates. Verified a judgmental sample of operation and maintenance expenses and examined the invoices and other supporting documentation. Tested the calculation of depreciation expense. Examined support for taxes other than income and income taxes

CAPITAL STRUCTURE: Compiled components of the capital structure for the year ended December 31, 1999. Agreed interest expense to the terms of the notes and bonds. Confirmed note balances at December 31, 1999.

Exception No. 1

Subject: Capitalized Sales Tax on Plant Additions

Statement of Fact: The utility reported 1999 year-end balances of $4,000,202 and $1,053,519 for Accounts 376, Mains (Plastic), and 381, Meters, respectively.

Recommendation:

Account 376 Mains (Plastic)
The 1999 ending balance is overstated by $2,324. The utility charged additional sales tax of $1,114 ($18,571 *.06) and $1,210 ($20,161*.06) on the total amount of two invoices. The utility should reduce Account 376 by $2,324 ($1,114 + $1,210).

Account 381 Meters
The utility charged additional sales tax of $575 ($9,582.07 *.06) on the total amount of an invoice. The utility should reduce Account 381 by $575.

Exception No. 2

Subject: Acquisition Adjustment

Statement of Fact: In Commission Order No. 23166, issued July 10, 1990, the Commission disallowed $509,422 in acquisition adjustment. The utility reported a 1999 year-end acquisition adjustment balance of $509,422 in its general ledger. The utility did not make the Commission-ordered adjustment to its books. However, it did remove this amount in its MFRs filing.

Recommendation: Per Commission Order No. 23166, the utility should remove $509,422 from Account 114.1, Excess Cost of Acquisition-New-CFG Adjustments.

Exception No. 3

Subject: PGA Revenues, PGA Expenses, and PGA Taxes

Statement of Fact: The utility included the following PGA revenues, PGA expenses, and PGA taxes in its MFRs.

	1999	2000	2001
PGA revenues	$7,806,424	$7,195,543	$5,790,925
PGA expenses	$7,665,881	$7,159,530	$5,761,942
PGA-related taxes	$39,070	$36,013	$28,983

In accordance with Commission Order No. PSC-92-0924-FOF-GU, issued September 3, 1992, it is appropriate to remove PGA-related items that are recoverable through the PGA Cost Recovery Clause.

The projected amounts for the years 2000 and 2001 assume no over/under recovery.

Recommendation: The above amounts should be removed from the MFRs as shown above.

Exception No. 4

Subject: Common Equity

Statement of Fact: The utility reported a 1999 year-end common equity balance of $11,216,456 in its general ledger. The MFRs reported a 1999 year-end common equity balance of $11,809,982.

The utility's general ledger reports a 1999 ending balance of $11,216,456 and a 2000 beginning balance of $11,809,982. The utility does not record closing journal entries for the expense and revenue summary accounts. However, it does reflect the net effect in the beginning balance of the next year. The difference, $593,526 ($11,809,982-$11,216,456), is net income.

Recommendation: The 2000 opening balance of common equity reflects an adjustment to include net income. The utility should be required to make these journal entries to the general ledger accounts as part of its end of year closing entries. Closing and adjusting entries posted for the purpose of recording net operating income should be visible in the utility's general ledger accounts.

Exception No. 5

Subject: Misstated Flex-Rate Liability

Statement of Fact: The utility reported a 13-month average balance for flex-rate liability of ($46,880).

Account	Account Title	13 Month Average
242.8	Flex Rate Liability - 10/94 - 9/95	$23,490
242.81	Flex Rate Liability - 10/95 -9/96	$23,390
	Total Flex Rate Liability	$46,880

Working Capital
In MFRs Schedule B-13, the utility reported an adjustment of ($46,880) to miscellaneous current liabilities to reflect the flex-rate liability 13-month average balance.

Cost of Capital
In MFRs Schedule D-1, the utility reported an adjustment of $46,880 to reflect the flex-rate liability 13-month average balance. The average balance should be increased by $10,305 to account for an amount, $66,981, included in the calculation as a debit rather than a credit entry to the account.

Recommendation: The 13-month average balance for flex rate liability should be as scheduled below:

Account	Account Title	13-Month Average per Company	Adjustment	13-Month Average per Audit
242.8	Flex Rate Liability - 10/94 - 9/95	$23,490	$10,305	$33,795
242.81	Flex Rate Liability - 10/95 -9/96	$23,390		$23,390
	Total Flex Rate Liability	$46,880	$10,305	$57,185

Working Capital
An additional $10,305 should be removed from the current liabilities section of working capital. This adjustment reflects an amount, $66,981, included in the 13-month average as a debit instead of a credit amount. This change will have the effect of increasing the 13-month average balance of working capital from $498,227 to $508,532.

Cost of Capital
The flex-rate liability, a zero-cost component of the capital structure, should be increased by $10,305. This will not change the weighted average cost of capital, 8.26 percent, because of its small size.

EXHIBIT I

SCHEDULE G-1 | CALCULATION OF THE PROJECTED TEST YEAR RATE BASE | PAGE 1 OF 29

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE RATE BASE FOR THE HISTORIC BASE YEAR, THE HISTORIC BASE YEAR PLUS ONE, AND THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	DESCRIPTION	BASE YEAR 12/31/99 (PER BOOKS)	COMPANY ADJUSTMENT	BASE YEAR ADJUSTED AVERAGE YEAR	BASE YR + 1 12/31/00 AVERAGE YEAR	PROJECTED TEST YEAR UNADJUSTED AVERAGE YR.	PROJECTED TEST YEAR ADJUSTMENTS	PROJECTED TEST YEAR AS ADJUSTED
	UTILITY PLANT							
1	PLANT IN SERVICE	$25,269,516	($23,702)	$25,265,814	$29,589,068	$31,990,292	($23,702)	$31,956,590
2	CONSTRUCTION WORK IN PROGRESS	$927,993	$0	$927,993	$1,822,064	$1,822,064	($1,822,064)	$0
3	ACQUISITION ADJUSTMENT	$775,529	($775,529)	($0)	$632,931	$632,931	($632,931)	$0
4	COMMON PLANT ALLOCATED	$0	($87,326)	($87,326)	$0	$0	($108,135)	($108,135)
5	PLANT HELD FOR FUTURE USE	$0	$0	$0	$0	$0	$0	$0
6	TOTAL	$26,992,839	($886,557)	$26,106,282	$31,043,993	$34,435,187	($2,586,732)	$31,848,455
	DEDUCTIONS							
7	ACCUM PROV-DEPR & AMORT	($8,869,092)	$741,557	($8,127,535)	($9,934,813)	($11,318,815)	$707,632	($10,612,182)
8	CUSTOMER ADVANCES FOR CONSTRUCTION	($196,399)	$0	($196,399)	($267,828)	($267,828)	$0	($267,828)
9	TOTAL DEDUCTIONS	($9,065,491)	$741,557	($8,323,934)	($10,202,641)	($11,587,643)	$707,632	($10,880,010)
10	PLANT NET	$17,927,347	($146,000)	$17,782,347	$20,841,352	$22,847,544	($1,879,100)	$20,968,445
	ALLOWANCE FOR WORKING CAPITAL							
11	BALANCE SHEET METHOD	($6,591,010)	$7,089,237	$498,227	($8,199,574)	($10,662,111)	$11,015,367	$353,256
12	TOTAL RATE BASE	$11,336,337	$6,944,237	$18,280,574	$11,641,778	$12,185,434	$9,136,267	$21,321,700
13	NET OPERATING INCOME	$1,157,628	($116,167)	$1,041,861	$341,670	$565,851	$221,368	$807,219
14	RATE OF RETURN	10.21%		5.70%		4.61%		3.79%

SUPPORTING SCHEDULES: B-2, G-1 p.4-6, G-1 p.15, G-2, p.19, G-2 p.21 G-2 p.22, G-2 p.1-3, G-6 p.1-2

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Docket No. 000108-GU
Exhibit HYS-1 (Page 11 of 13)
Audit Report

EXHIBIT II

SCHEDULE G-3	CALCULATION OF THE PROJECTED TEST YEAR - COST OF CAPITAL	PAGE 2 OF 11
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13 MONTH AVERAGE COST OF CAPITAL FOR THE PROJECTED TEST YEAR	TYPE OF DATA SHOWN: PROJECTED TEST YEAR 12/31/01
COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.		WITNESS: WILLIAMS
DOCKET NO.: 000108-GU		

LINE NO.	DESCRIPTION	PER BOOKS	ADJUSTMENTS SPECIFIC	ADJUSTMENTS PRO RATA	ADJUSTED	RATIO	COST RATE	WEIGHTED COST
1	COMMON EQUITY	11,822,978	(1,533,682)	0	10,289,296	48.26%	12.00%	5.79%
2	LONG TERM DEBT	0	6,377,973	0	6,377,973	29.91%	7.52%	2.25%
3	SHORT TERM DEBT	0	2,119,103	0	2,119,103	9.94%	6.03%	0.60%
4	CUSTOMER DEPOSITS	789,257	0	0	789,257	3.70%	6.44%	0.24%
5	DEFERRED TAXES	1,392,213	0	0	1,392,213	6.53%	0.00%	0.00%
6	FLEX RATE LIABILITY	0	46,880	0	46,880	0.22%	8.30%	0.01%
7	TAX CREDIT	306,978	0	0	306,978	1.44%	0.00%	0.00%
8	TOTAL	14,311,426	7,010,274	0	21,321,700	100.00%		8.89%

SUPPORTING SCHEDULES: G-1 p.5-6, G-6 p.1

EXHIBIT III

SCHEDULE G-2 | CALCULATION OF THE PROJECTED TEST YEAR - NOI - SUMMARY | PAGE 1 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE CALCULATION OF NET OPERATING INCOME PER BOOKS FOR THE HISTORIC BASE YEAR, THE PROJECTED NET OPERATING INCOME FOR THE HISTORIC BASE YEAR + 1, AND THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/99
HISTORIC BASE YEAR + 1: 12/31/00
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.		HISTORIC BASE YEAR PER BOOKS	COMPANY ADJUSTMENTS	HISTORIC BASE YEAR ADJUSTED	HISTORIC BASE YEAR + 1 2000	PROJECTED TEST YEAR 2001	PROJECTED TEST YEAR ADJUSTMENTS	PROJECTED TEST YEAR AS ADJUSTED
	OPERATING REVENUE:							
1	OPERATING REVENUES	$17,293,932	($738,010)	$16,555,922	$14,238,052	$13,481,994	$0	$13,481,994
2	REVENUE RELIEF	$0	$0	$0	$0	$0	$0	$0
3	CHANGE IN UNBILLED REVENUES	$0	$0	$0	$0	$0	$0	$0
4	REVENUES DUE TO GROWTH	$0	$0	$0	$0	$0	$0	$0
5	TOTAL REVENUES	$17,293,932	($738,010)	$16,555,922	$14,238,052	$13,481,994	$0	$13,481,994
	OPERATING EXPENSES:							
6	COST OF GAS	$9,150,224	$0	$9,150,224	$7,195,543	$5,790,925	$0	$5,790,925
7	OPERATION & MAINTENANCE	$4,314,014	($478,588)	$3,835,426	$4,228,460	$4,617,575	$0	$4,617,575
8	DEPRECIATION & AMORTIZATION	$1,138,653	($38,715)	$1,099,938	$1,271,358	$1,377,195	($4,047)	$1,373,148
9	AMORTIZATION - OTHER	$0	$0	$0	$0	$0	$0	$0
10	TAXES OTHER THAN INCOME	$1,157,615	($512)	$1,157,103	$1,207,468	$1,155,218	$0	$1,155,218
11	TAXES OTHER THAN INCOME - GRWTH	$0	$0	$0	$0	$0	$0	$0
12	INCOME TAXES FEDERAL	$311,190	($89,099)	$222,091	($18,118)	($52,512)	$0	($52,512)
13	INCOME TAXES - STATE	$52,174	($14,829)	$37,345	($8,259)	($11,979)	$0	($11,979)
14	INCOME TAXES - GROWTH - FEDERAL	$0	$0	$0	$0	$0	$0	$0
15	INCOME TAXES - GROWTH - STATE	$0	$0	$0	$0	$0	$0	$0
16	INTEREST SYNCHRONIZATION	$0	$0	$0	$0	$0	($217,321)	($217,321)
17	DEFERRED TAXES - FEDERAL	$12,234	$0	$12,234	$39,264	$39,244	$0	$39,244
18	DEFERRED TAXES - STATE	$0	$0	$0	$0	$0	$0	$0
19	INVESTMENT TAX CREDITS	$0	$0	$0	($19,523)	($19,523)	$0	($19,523)
20	TOTAL OPERATING EXPENSES	$16,136,104	($621,843)	$15,514,261	$12,896,382	$12,896,143	($221,368)	$12,674,775
21	OPERATING INCOME	$1,157,828	($116,167)	$1,041,661	$341,670	$585,851	$221,368	$807,219

SUPPORTING SCHEDULES: G-2, p 2-5, G-4 p 2-3

RECAP SCHEDULES: A-1, A-4

205 5/10/00 11:15 AM

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Docket No. 000108-GU
Exhibit HYS-1 (Page 13 of 13)
Audit Report

8

Chesapeake Utilities Corporation

Index of Natural Gas Distribution

	Company Name	S&P BOND RATING	1998 DATA C.A. TURNER UTILITIES REPORT % OF REV FROM GAS	Value Line Data Equity Ratio	Safety Rank	Beta	Net Income (,000)	Net Plant (,000)
1	AGL RESOURCES	BBB+	100%	49.0%	2	0.60	51.8	1598.9
2	ATMOS ENERGY	A-	89%	51.0%	3	0.55	22.4	965.8
3	CTG RESOURCES	A-	94%	45.0%	2	0.50	17.2	341.2
4	CASCADE NATURAL GAS	BBB+	100%	51.0%	3	0.55	16.87	282.3
5	ENERGEN CORP.	A	81%	51.0%	2	0.80	43.7	861.1
6	LACLEDE GAS	AA-	100%	56.0%	1	0.55	27.4	519.4
7	NICOR INC.	A+	87%	70.0%	1	0.60	124.1	1735.2
8	NEW JERSEY RESOURCES	A	81%	59.5%	2	0.55	47.4	705.4
9	NORTHWEST NAT. GAS	A	100%	50.5%	2	0.60	49.9	895.9
10	PEOPLES ENERGY	A+	98%	61.0%	1	0.70	90.2	1519.8
11	PIEDMONT NATURAL GAS	A	100%	61.0%	2	0.60	64.5	1047.0
12	PROVIDENCE ENERGY	BBB+	98%	51.5%	3	0.55	8.4	218.2
13	SOUTH JERSEY INDS.	BBB+	94%	48.5%	2	0.50	23.3	533.3
14	SOUTHWEST GAS	BBB-	84%	36.5%	3	0.70	36.2	1581.1
15	WASHINGTON GAS LIGHT	AA-	100%	58.0%	1	0.60	84.1	1402.7
	AVERAGE	A-	94%	53.3%	2	0.60	47.16	947.2
	MEDIAN	A	98%	51.0%	2	0.60	43.70	895.9
	MIN	BBB-	81%	36.5%	1	0.50	8.40	218.2
	MAX	AA-	100%	70.0%	3	0.80	124.10	1735.2
	CHESAPEAKE UTILITIES CORP. (FLORIDA DIV.)		100%	54.5%			1.2	19.6

SOURCE:

S&P Stock Guide: April 2000 March Stock Prices

Value Line Issue: Ed. 3 - June 23, 2000

Value Line CD, Ver. 2.0 - July 2000

Blue Chip Financial Forecasts, July 1, 2000

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 000108-GU EXHIBIT NO. 8
COMPANY/ WITNESS: Draper
DATE: 10-16-00

Chesapeake Utilities Corporation

Index of Comparable Electric Utilities

	UTILITY NAME	S&P BOND RATING	Value Line Data: Equity Ratio	Beta	Proj Dividend Growth Rate	Proj EPS Growth Rate
1	Allegheny Energy	A+	44.0%	0.60	2.00	9.50
2	DTE Energy	A-	50.0%	0.60	0.50	5.50
3	Energy East Corp.	A	57.5%	0.60	5.00	10.00
4	FirstEnergy Corp.		43.5%	0.60	3.00	7.50
5	Kansas City Power & Lt.	A	43.0%	0.60	1.00	7.50
6	LG&E Energy Corp.	A	43.5%	0.60	3.00	7.00
7	Otter Tail Power	AA-	54.0%	0.60	3.00	6.50
8	PPL Corp.	A-	30.0%	0.60	2.00	9.00
9	Reliant Energy	BBB+	47.0%	0.60	2.00	11.50
10	TXU Corp.	BBB+	30.5%	0.60	4.00	5.00
	Average	A	44.3%	0.60	2.55	7.90
	CHESAPEAKE UTILITIES CORP. (FLORIDA DIV.)		54.5%	--		

Source:
Value Line CD, Ver. 2.0 - July 2000

Basic DCF Equation

$$P_o = \frac{D_1}{(1+K)} + \frac{D_2}{(1+K)^2} + \frac{D_3}{(1+K)^3} + \ldots + \frac{D_\infty}{(1+K)^\infty}$$

Where:

D_t = Dividends paid at the end of period t.

K = Investor's required rate of return.

P_o = The current price of the stock.

This can also be written as,

$$P_O = \sum_{t=1}^{n} \frac{D_T}{(1+k)^t}$$ as "n" approaches ∞.

Assuming constant growth in dividends and g<K, these equations reduce to,

$$K = \frac{D_1}{P_o} + g$$

where g is the constant growth rate in dividends.

TWO STAGE ANNUALLY COMPOUNDED DCF MODEL

$$P_o(1-FC) = \frac{D_1}{(1+K)} + \frac{D_2}{(1+K)^2} \quad . \quad . \quad . \quad + \frac{D_n}{(1+K)^n} + \frac{D_n(1+g)}{K-g}\frac{1}{(1+K)^n}$$

Where

Po = The current stack price.

$D_1, D_2, \ldots D_n$ = Expected dividends each year.

FC = Flotation costs.

K = Investors required rate of return.

g = The constant growth rate after year n.

Chesapeake Utilities Corporation
Index of Natural Gas Distribution
Discounted Cas Flow Model

					VALUE LINE ISSUE: Ed. 3, 06/23/2000					JULY		
	COMPANY	DIV0	DIV1	DIV2	DIV3	DIV4	EPS4	ROE4	GR1-4	GR4+	HI-PR	LO-PR	VER-PR
1	AGL RESOURCES	1.08	1.08	1.10	1.13	1.15	1.75	12.50	1.0212	1.0429	18.188	16.063	17.125
2	ATMOS ENERGY	1.14	1.18	1.23	1.29	1.35	2.40	14.50	1.0459	1.0634	20.625	17.750	19.188
3	CTG RESOURCES	1.04	1.08	1.12	1.16	1.20	2.45	12.50	1.0357	1.0638	37.688	36.000	36.844
4	CASCADE NATURAL GAS	0.96	0.97	0.98	0.99	1.00	1.80	14.00	1.0102	1.0622	17.063	15.813	16.438
5	ENERGEN CORP.	0.67	0.70	0.73	0.77	0.80	2.00	11.50	1.0455	1.0690	24.500	21.000	22.750
6	LACLEDE GAS	1.36	1.40	1.43	1.47	1.50	2.50	14.00	1.0233	1.0560	20.125	19.188	19.656
7	NICOR INC.	1.62	1.70	1.79	1.89	2.00	4.00	18.00	1.0557	1.0900	35.500	32.125	33.813
8	NEW JERSEY RESOURCES	1.72	1.76	1.80	1.84	1.88	3.60	15.50	1.0222	1.0741	40.688	37.625	39.156
9	NORTHWEST NAT. GAS	1.24	1.25	1.27	1.28	1.30	2.30	11.00	1.0132	1.0478	24.000	21.625	22.813
10	PEOPLES ENERGY	2.00	2.04	2.08	2.11	2.15	3.60	12.00	1.0177	1.0483	33.500	31.250	32.375
11	PIEDMONT NATURAL GAS	1.44	1.50	1.55	1.61	1.67	2.80	12.50	1.0364	1.0504	29.125	26.875	28.000
12	PROVIDENCE ENERGY	1.08	1.08	1.19	1.31	1.45	2.10	10.50	1.1032	1.0325	42.250	40.750	41.500
13	SOUTH JERSEY INDS.	1.46	1.47	1.50	1.52	1.55	2.65	11.50	1.0178	1.0477	27.563	26.063	26.813
14	SOUTHWEST GAS	0.82	0.82	0.85	0.89	0.92	1.70	9.00	1.0391	1.0413	18.563	16.875	17.719
15	WASHINGTON GAS LIGHT	1.24	1.26	1.31	1.35	1.40	2.50	13.00	1.0357	1.0572	25.500	23.938	24.719
	AVERAGE	1.2580	1.2860	1.3290	1.3741	1.4213 1.5016	2.5433	12.8000	1.0349	1.0564			26.5938

COST OF EQUITY

Annual **10.28%**

25.79594

25.79594	0.3119	0.3043	0.2968	0.2960	0.2888	0.2817	0.2748	0.2771	0.2703	0.2637	0.2572	0.2594	0.2531
							0.2469	0.2408	0.2430	0.2371	0.2313	0.2256	20.7362
25.79594	1.170225	1.089758	1.0214118	0.9577703	0.9064704	20.650308							

Source:
S&P STOCK GUIDE: August 2000 with July Stock Prices
Value Line Ed. - 3, June 23, 2000

Chesapeake Utilities Corporation
Comparable Index of Electric Utilities
Discounted Cas Flow Model

	COMPANY	S&P BOND RATING	DIV0	DIV1	DIV2	DIV3	DIV4	EPS4	ROE4	GR1-4	GR4+	JULY HI-PR	JULY LO-PR	AVER-PR
1	Allegheny Energy	A+	1.74	1.78	1.54	1.33	1.15	1.75	12.50	0.8645	1.0429	31.875	27.750	29.813
2	DTE Energy	A-	2.06	2.06	1.79	1.55	1.35	2.40	14.50	0.8686	1.0634	32.688	30.438	31.563
3	Energy East Corp.	A	0.88	0.92	1.01	1.10	1.20	2.45	12.50	1.0926	1.0638	20.250	17.938	19.094
4	FirstEnergy Corp.		1.50	1.50	1.31	1.14	1.00	1.80	14.00	0.8736	1.0622	25.750	23.563	24.656
5	Kansas City Power & Lt.	A	1.66	1.66	1.30	1.02	0.80	2.00	11.50	0.7840	1.0690	26.125	23.563	24.844
6	LG&E Energy Corp.	A	1.29	1.33	1.38	1.44	1.50	2.50	14.00	1.0409	1.0560	24.313	23.875	24.094
7	Otter Tail Power	AA-	1.02	1.05	1.30	1.61	2.00	4.00	18.00	1.2396	1.0900	22.500	20.750	21.625
8	PPL Corp.	A-	1.06	1.18	1.38	1.61	1.88	3.60	15.50	1.1680	1.0741	27.188	21.938	24.563
9	Reliant Energy	BBB+	1.50	1.50	1.43	1.36	1.30	2.30	11.00	0.9534	1.0478	34.000	29.063	31.531
10	TXU Corp.	BBB+	2.43	2.53	2.40	2.27	2.15	3.60	12.00	0.9472	1.0483	32.563	29.813	31.188
	AVERAGE	A	1.5140	1.5510	1.4836	1.4445	1.4330 1.5215	2.6400	13.5500	0.9832	1.0618			26.2969

COST OF EQUITY

25.50797				Annual	**10.93%**								
25.50974	0.3752	0.3655	0.3561	0.3554	0.3463	0.3373	0.3286 0.2484	0.3063 0.2400	0.2984 0.2339	0.2907 0.2278	0.2832 0.2220	0.2686 20.2845	0.2617 0.2550
25.50797	1.4028	1.2592	1.0937	0.9675	0.8904	19.8943							

Sources:
VALUE LINE CD - JULY 2000
S&P STOCK GUIDE: AUGUST 2000 WITH JULY STOCK PRICES
C. A. TURNER UTILITY REPORT

hesapeake Utilities Corporation
Index of Natural Gas Distribution
CAPITAL ASSET PRICING MODEL

Exhibit DJD-5 (Page 1 of 1)

CAPITAL ASSET PRICING MODEL

CAPM = Rf + B * (Rm - Rf)

= 6.02% + (.60 x (11.89% - 6.02%))

= 6.02% + 3.52%

= **9.54%**

Where:

Rf = Risk-Free Rate = 6.02%

Rm = Required Market Return = 11.89%

B = Average Beta of Gas Index = 0.60

	INDEX OF COMPANIES	BETA
1	AGL RESOURCES	0.60
2	ATMOS ENERGY	0.55
3	CTG RESOURCES	0.50
4	CASCADE NATURAL GAS	0.55
5	ENERGEN CORP.	0.80
6	LACLEDE GAS	0.55
7	NICOR INC.	0.60
8	NEW JERSEY RESOURCES	0.55
9	NORTHWEST NAT. GAS	0.60
10	PEOPLES ENERGY	0.70
11	PIEDMONT NATURAL GAS	0.60
12	PROVIDENCE ENERGY	0.55
13	SOUTH JERSEY INDS.	0.50
14	SOUTHWEST GAS	0.70
15	WASHINGTON GAS LIGHT	0.60
	AVERAGE	0.60

SOURCE:
VALUE LINE ISSUE: Ed. 3, JUNE 23, 2000
Blue Chip Financial Forecasts, July 1, 2000

BOND YIELD DIFFERENTIALS

Public Utility Long Term Bond Yield Averages

Source: Moody's Credit Perspectives

Month Average -

Long-Term Corporate Bond Yield Averages - Avg. Public Utility

		0.0906		0.0906		0.0503		0.0503		0.0503		0.0933		0.0933		0.0933		0.0933	
Period	Aaa	SPREAD	Aa1	SPREAD	Aa2	SPREAD	Aa3	SPREAD	A1	SPREAD	A2	SPREAD	A3	SPREAD	Baa1	SPREAD	Baa2	SPREAD	Baa3
JUNE	7.96	0.07	8.03	0.07	8.10	0.09	8.19	0.09	8.27	0.09	8.36	0.04	8.40	0.04	8.43	0.04	8.47	0.04	8.51
MAY	8.22	0.11	8.33	0.11	8.44	0.09	8.53	0.09	8.61	0.09	8.70	0.05	8.75	0.05	8.81	0.05	8.86	0.05	8.91
APR	7.95	0.11	8.06	0.11	8.17	0.06	8.23	0.06	8.29	0.06	8.35	0.02	8.37	0.02	8.38	0.02	8.40	0.02	8.42
MAR	7.87	0.06	7.93	0.06	7.99	0.10	8.09	0.10	8.18	0.10	8.28	0.04	8.32	0.04	8.36	0.04	8.40	0.04	8.44
FEB	7.82	0.09	7.91	0.09	7.99	0.09	8.08	0.09	8.16	0.09	8.25	0.03	8.28	0.03	8.30	0.03	8.33	0.03	8.36
JAN 2000	7.95	0.11	8.06	0.11	8.17	0.06	8.23	0.06	8.29	0.06	8.35	0.02	8.37	0.02	8.38	0.02	8.40	0.02	8.42
DEC	7.74	0.13	7.87	0.13	8.00	0.05	8.05	0.05	8.09	0.05	8.14	0.05	8.19	0.05	8.23	0.05	8.28	0.05	8.33
NOV	7.58	0.13	7.69	0.13	7.82	0.04	7.86	0.04	7.90	0.04	7.94	0.06	8.00	0.06	8.06	0.06	8.12	0.06	8.18
OCT	7.73	0.11	7.85	0.11	7.96	0.03	7.99	0.03	8.03	0.03	8.06	0.09	8.15	0.09	8.23	0.09	8.32	0.09	8.41
SEP	7.55	0.14	7.69	0.14	7.82	0.04	7.86	0.04	7.89	0.04	7.93	0.09	8.02	0.09	8.10	0.09	8.19	0.09	8.28
AUG	7.54	0.14	7.68	0.14	7.82	0.03	7.85	0.03	7.88	0.03	7.91	0.08	7.99	0.08	8.08	0.08	8.16	0.08	8.24
JULY	7.34	0.14	7.48	0.14	7.62	0.03	7.65	0.03	7.68	0.03	7.71	0.09	7.80	0.09	7.88	0.09	7.97	0.09	8.06
JUNE	7.37	0.15	7.52	0.15	7.67	0.02	7.69	0.02	7.72	0.02	7.74	0.10	7.84	0.10	7.93	0.10	8.03	0.10	8.13
MAY	7.09	0.15	7.24	0.15	7.38	0.03	7.41	0.03	7.44	0.03	7.47	0.09	7.56	0.09	7.65	0.09	7.74	0.09	7.83
APR	6.80	0.16	6.96	0.16	7.11	0.04	7.15	0.04	7.18	0.04	7.22	0.10	7.32	0.10	7.41	0.10	7.51	0.10	7.61
MAR	6.78	0.17	6.95	0.17	7.11	0.05	7.16	0.05	7.21	0.05	7.26	0.10	7.36	0.10	7.45	0.10	7.55	0.10	7.65
FEB	6.56	0.19	6.75	0.19	6.94	0.05	6.99	0.05	7.04	0.05	7.09	0.11	7.20	0.11	7.30	0.11	7.41	0.11	7.52
JAN 1999	6.41	0.21	6.62	0.21	6.82	0.05	6.87	0.05	6.92	0.05	6.97	0.11	7.08	0.11	7.19	0.11	7.30	0.11	7.41
DEC	6.43	0.18	6.61	0.18	6.78	0.04	6.82	0.04	6.87	0.04	6.91	0.11	7.02	0.11	7.13	0.11	7.24	0.11	7.35
NOV	6.59	0.15	6.74	0.15	6.89	0.05	6.94	0.05	6.98	0.05	7.03	0.09	7.12	0.09	7.22	0.09	7.31	0.09	7.40
OCT	6.64	0.08	6.72	0.08	6.80	0.05	6.85	0.05	6.91	0.05	6.96	0.06	7.02	0.06	7.07	0.06	7.13	0.06	7.19
SEP	6.66	0.06	6.72	0.06	6.78	0.05	6.83	0.05	6.88	0.05	6.93	0.07	7.00	0.07	7.06	0.07	7.13	0.07	7.20
AUG	6.75	0.06	6.81	0.06	6.87	0.04	6.91	0.04	6.96	0.04	7.00	0.07	7.07	0.07	7.13	0.07	7.20	0.07	7.27
JULY	6.80	0.06	6.86	0.06	6.91	0.04	6.95	0.04	6.99	0.04	7.03	0.07	7.10	0.07	7.16	0.07	7.23	0.07	7.30
JUNE	6.80	0.06	6.86	0.06	6.91	0.04	6.95	0.04	6.99	0.04	7.03	0.06	7.09	0.06	7.15	0.06	7.21	0.06	7.27
MAY	6.94	0.04	6.98	0.04	7.02	0.05	7.07	0.05	7.11	0.05	7.16	0.06	7.22	0.06	7.28	0.06	7.34	0.06	7.40
APR	6.94	0.04	6.98	0.04	7.02	0.05	7.07	0.05	7.11	0.05	7.16	0.07	7.23	0.07	7.30	0.07	7.37	0.07	7.44
MAR	6.96	0.04	7.00	0.04	7.04	0.04	7.08	0.04	7.12	0.04	7.16	0.07	7.23	0.07	7.30	0.07	7.37	0.07	7.44
FEB	6.91	0.04	6.95	0.04	6.99	0.04	7.03	0.04	7.08	0.04	7.12	0.08	7.20	0.08	7.28	0.08	7.36	0.08	7.44
1998	6.85	0.05	6.90	0.05	6.94	0.04	6.98	0.04	7.01	0.04	7.05	0.08	7.13	0.08	7.20	0.08	7.28	0.08	7.36
	6.99	0.04	7.03	0.04	7.07	0.03	7.10	0.03	7.13	0.03	7.16	0.08	7.24	0.08	7.33	0.08	7.41	0.08	7.49
V	7.08	0.03	7.12	0.03	7.15	0.03	7.18	0.03	7.22	0.03	7.25	0.08	7.33	0.08	7.41	0.08	7.49	0.08	7.57
OCT	7.18	0.05	7.23	0.05	7.28	0.02	7.30	0.02	7.33	0.02	7.35	0.11	7.46	0.11	7.56	0.11	7.67	0.11	7.78
SEP	7.45	0.04	7.50	0.04	7.54	0.01	7.55	0.01	7.57	0.01	7.58	0.09	7.67	0.09	7.75	0.09	7.84	0.09	7.93
AUG	7.39	0.04	7.43	0.04	7.46	0.02	7.48	0.02	7.49	0.02	7.51	0.14	7.65	0.14	7.79	0.14	7.93	0.14	8.07
JUL	7.29	0.07	7.36	0.07	7.43	0.02	7.45	0.02	7.46	0.02	7.48	0.13	7.61	0.13	7.74	0.13	7.87	0.13	8.00
JUN	7.55	0.06	7.62	0.06	7.68	0.01	7.69	0.01	7.71	0.01	7.72	0.13	7.85	0.13	7.98	0.13	8.12	0.13	8.25
MAY	7.72	0.06	7.79	0.06	7.85	0.01	7.86	0.01	7.88	0.01	7.89	0.13	8.02	0.13	8.15	0.13	8.28	0.13	8.41
APR	7.87	0.06	7.94	0.06	8.00	0.01	8.01	0.01	8.02	0.01	8.03	0.13	8.16	0.13	8.29	0.13	8.42	0.13	8.55
MAR	7.70	0.07	7.77	0.07	7.84	0.01	7.85	0.01	7.86	0.01	7.87	0.13	8.00	0.13	8.13	0.13	8.26	0.13	8.39
FEB	7.47	0.06	7.54	0.06	7.60	0.01	7.61	0.01	7.63	0.01	7.64	0.13	7.77	0.13	7.89	0.13	8.02	0.13	8.15
JAN 1997	7.53	0.07	7.61	0.07	7.68	0.03	7.71	0.03	7.74	0.03	7.77	0.14	7.91	0.14	8.04	0.14	8.18	0.14	8.32
DEC	7.33	0.06	7.39	0.06	7.44	0.05	7.49	0.05	7.54	0.05	7.59	0.13	7.72	0.13	7.85	0.13	7.98	0.13	8.11
NOV	7.21	0.06	7.27	0.06	7.32	0.06	7.38	0.06	7.43	0.06	7.49	0.13	7.62	0.13	7.74	0.13	7.87	0.13	8.00
OCT	7.50	0.05	7.55	0.05	7.60	0.06	7.66	0.06	7.71	0.06	7.77	0.13	7.90	0.13	8.02	0.13	8.15	0.13	8.28
SEPT	7.76	0.04	7.80	0.04	7.84	0.06	7.90	0.06	7.95	0.06	8.01	0.13	8.14	0.13	8.28	0.13	8.41	0.13	8.54
AUG	7.59	0.04	7.63	0.04	7.66	0.06	7.72	0.06	7.78	0.06	7.84	0.14	7.98	0.14	8.11	0.14	8.25	0.14	8.39
JULY	7.78	0.02	7.81	0.02	7.83	0.06	7.89	0.06	7.96	0.06	8.02	0.14	8.16	0.14	8.30	0.14	8.44	0.14	8.58
JUNE	7.83	0.02	7.85	0.02	7.87	0.06	7.93	0.06	8.00	0.06	8.06	0.15	8.21	0.15	8.36	0.15	8.51	0.15	8.66
MAY	7.73	0.03	7.76	0.03	7.79	0.06	7.85	0.06	7.92	0.06	7.98	0.16	8.14	0.16	8.29	0.16	8.45	0.16	8.61
APR	7.60	0.05	7.65	0.05	7.70	0.06	7.76	0.06	7.83	0.06	7.89	0.14	8.03	0.14	8.18	0.14	8.32	0.14	8.46
MAR	7.45	0.05	7.50	0.05	7.55	0.06	7.61	0.06	7.67	0.06	7.73	0.14	7.87	0.14	8.01	0.14	8.15	0.14	8.29
FEB	7.11	0.04	7.16	0.04	7.20	0.06	7.26	0.06	7.31	0.06	7.37	0.14	7.51	0.14	7.64	0.14	7.78	0.14	7.92
JAN 1996	6.92	0.05	6.97	0.05	7.02	0.07	7.09	0.07	7.15	0.07	7.22	0.14	7.36	0.14	7.50	0.14	7.64	0.14	7.78
DEC	6.94	0.04	6.99	0.04	7.03	0.07	7.10	0.07	7.16	0.07	7.23	0.13	7.36	0.13	7.50	0.13	7.63	0.13	7.76
NOV	7.13	0.04	7.18	0.04	7.22	0.07	7.29	0.07	7.36	0.07	7.43	0.13	7.56	0.13	7.68	0.13	7.81	0.13	7.94
OCT	7.23	0.03	7.27	0.03	7.30	0.05	7.35	0.05	7.41	0.05	7.46	0.12	7.58	0.12	7.70	0.12	7.82	0.12	7.94
SEPT	7.42	0.03	7.45	0.03	7.48	0.05	7.53	0.05	7.57	0.05	7.62	0.12	7.74	0.12	7.86	0.12	7.98	0.12	8.10
AUG	7.66	0.02	7.69	0.02	7.71	0.04	7.75	0.04	7.79	0.04	7.83	0.14	7.97	0.14	8.10	0.14	8.24	0.14	8.38
JULY	7.51	0.04	7.56	0.04	7.60	0.03	7.63	0.03	7.67	0.03	7.70	0.14	7.84	0.14	7.97	0.14	8.11	0.14	8.25
JUNE	7.39	0.05	7.44	0.05	7.49	0.04	7.53	0.04	7.56	0.04	7.60	0.14	7.74	0.14	7.87	0.14	8.01	0.14	8.15
MAY	7.71	0.04	7.76	0.04	7.80	0.04	7.84	0.04	7.87	0.04	7.91	0.13	8.04	0.13	8.17	0.13	8.30	0.13	8.43
APR	8.08	0.04	8.13	0.04	8.17	0.03	8.20	0.03	8.24	0.03	8.27	0.13	8.40	0.13	8.54	0.13	8.67	0.13	8.80
MAR	8.18	0.05	8.24	0.05	8.29	0.03	8.32	0.03	8.34	0.03	8.37	0.13	8.50	0.13	8.63	0.13	8.76	0.13	8.89
FEB	8.33	0.06	8.39	0.06	8.45	0.02	8.47	0.02	8.50	0.02	8.52	0.14	8.66	0.14	8.79	0.14	8.93	0.14	9.07
JAN 1995	8.53	0.07	8.60	0.07	8.66	0.02	8.68	0.02	8.71	0.02	8.73	0.14	8.87	0.14	9.01	0.14	9.15	0.14	9.29

BOND YIELD DIFFERENTIALS

Public Utility Long Term Bond Yield Averages

Source: Moody's Credit Perspectives

Month Average -

Long-Term Corporate Bond Yield Averages - Avg. Public Utility

		0.0906		0.0906		0.0503		0.0503		0.0503		0.0933		0.0933		0.0933		0.0933	
Period	Aaa	SPREAD	Aa1	SPREAD	Aa2	SPREAD	Aa3	SPREAD	A1	SPREAD	A2	SPREAD	A3	SPREAD	Baa1	SPREAD	Baa2	SPREAD	Baa3
DEC	8.55	0.07	8.62	0.07	8.69	0.02	8.71	0.02	8.74	0.02	8.76	0.13	8.89	0.13	9.03	0.13	9.16	0.13	9.29
NOV	8.77	0.07	8.84	0.07	8.90	0.03	8.93	0.03	8.95	0.03	8.98	0.12	9.10	0.12	9.23	0.12	9.35	0.12	9.47
OCT	8.65	0.06	8.72	0.06	8.78	0.03	8.81	0.03	8.83	0.03	8.86	0.13	8.99	0.13	9.11	0.13	9.24	0.13	9.37
SEP	8.41	0.08	8.49	0.08	8.56	0.03	8.59	0.03	8.61	0.03	8.64	0.11	8.75	0.11	8.87	0.11	8.98	0.11	9.09
AUG	8.15	0.09	8.24	0.09	8.32	0.03	8.35	0.03	8.38	0.03	8.41	0.11	8.52	0.11	8.63	0.11	8.74	0.11	8.85
JUL	8.21	0.09	8.30	0.09	8.38	0.03	8.41	0.03	8.44	0.03	8.47	0.11	8.58	0.11	8.69	0.11	8.80	0.11	8.91
JUN	8.07	0.07	8.14	0.07	8.21	0.03	8.24	0.03	8.28	0.03	8.31	0.11	8.42	0.11	8.53	0.11	8.64	0.11	8.75
MAY	8.11	0.07	8.18	0.07	8.24	0.03	8.27	0.03	8.30	0.03	8.33	0.09	8.42	0.09	8.52	0.09	8.61	0.09	8.70
APR	8.00	0.06	8.06	0.06	8.12	0.03	8.15	0.03	8.19	0.03	8.22	0.08	8.30	0.08	8.39	0.08	8.47	0.08	8.55
MAR	7.60	0.07	7.67	0.07	7.74	0.04	7.78	0.04	7.81	0.04	7.85	0.09	7.94	0.09	8.02	0.09	8.11	0.09	8.20
FEB	7.19	0.07	7.27	0.07	7.34	0.04	7.38	0.04	7.43	0.04	7.47	0.10	7.57	0.10	7.66	0.10	7.76	0.10	7.86
JAN 1994	7.05	0.06	7.12	0.06	7.18	0.05	7.23	0.05	7.28	0.05	7.33	0.11	7.44	0.11	7.55	0.11	7.66	0.11	7.77
DEC	7.06	0.06	7.12	0.06	7.18	0.05	7.23	0.05	7.29	0.05	7.34	0.13	7.47	0.13	7.60	0.13	7.73	0.13	7.86
NOV	7.06	0.06	7.12	0.06	7.17	0.04	7.21	0.04	7.26	0.04	7.30	0.13	7.43	0.13	7.56	0.13	7.69	0.13	7.82
OCT	6.75	0.07	6.82	0.07	6.89	0.05	6.94	0.05	6.98	0.05	7.03	0.08	7.11	0.08	7.19	0.08	7.27	0.08	7.35
SEP	6.78	0.06	6.83	0.06	6.89	0.05	6.94	0.05	6.99	0.05	7.04	0.10	7.14	0.10	7.25	0.10	7.35	0.10	7.45
AUG	6.94	0.06	7.01	0.06	7.07	0.06	7.13	0.06	7.19	0.06	7.25	0.11	7.36	0.11	7.48	0.11	7.59	0.11	7.70
JUL	7.25	0.06	7.32	0.06	7.38	0.05	7.43	0.05	7.49	0.05	7.54	0.13	7.67	0.13	7.80	0.13	7.93	0.13	8.06
JUN	7.37	0.09	7.46	0.09	7.54	0.07	7.61	0.07	7.68	0.07	7.75	0.10	7.85	0.10	7.95	0.10	8.05	0.10	8.15
MAY	7.44	0.10	7.54	0.10	7.64	0.07	7.71	0.07	7.79	0.07	7.86	0.11	7.97	0.11	8.07	0.11	8.18	0.11	8.29
APR	7.50	0.07	7.57	0.07	7.64	0.06	7.70	0.06	7.75	0.06	7.81	0.10	7.91	0.10	8.01	0.10	8.11	0.10	8.21
MAR	7.64	0.06	7.70	0.06	7.76	0.05	7.81	0.05	7.85	0.05	7.90	0.07	7.97	0.07	8.03	0.07	8.10	0.07	8.17
FEB	7.75	0.09	7.84	0.09	7.92	0.04	7.96	0.04	8.00	0.04	8.04	0.09	8.13	0.09	8.22	0.09	8.31	0.09	8.40
JAN 1993	7.94	0.10	8.04	0.10	8.14	0.04	8.18	0.04	8.23	0.04	8.27	0.10	8.37	0.10	8.47	0.10	8.57	0.10	8.67
DEC	8.01	0.16	8.17	0.16	8.32	0.04	8.36	0.04	8.39	0.04	8.43	0.09	8.52	0.09	8.60	0.09	8.69	0.09	8.78
NOV	8.11	0.20	8.31	0.20	8.51	0.04	8.55	0.04	8.59	0.04	8.63	0.08	8.71	0.08	8.78	0.08	8.86	0.08	8.94
OCT	8.06	0.18	8.24	0.18	8.42	0.04	8.46	0.04	8.50	0.04	8.54	0.07	8.61	0.07	8.69	0.07	8.76	0.07	8.83
SEP	8.04	0.12	8.16	0.12	8.28	0.04	8.32	0.04	8.36	0.04	8.40	0.05	8.45	0.05	8.49	0.05	8.54	0.05	8.59
AUG	8.04	0.13	8.17	0.13	8.30	0.05	8.35	0.05	8.39	0.05	8.44	0.05	8.49	0.05	8.53	0.05	8.58	0.05	8.63
JUL	8.12	0.17	8.29	0.17	8.45	0.04	8.49	0.04	8.53	0.04	8.57	0.04	8.61	0.04	8.65	0.04	8.69	0.04	8.73
JUN	8.26	0.19	8.45	0.19	8.63	0.05	8.68	0.05	8.73	0.05	8.78	0.04	8.82	0.04	8.86	0.04	8.90	0.04	8.94
MAY	8.32	0.18	8.51	0.18	8.69	0.06	8.75	0.06	8.81	0.06	8.87	0.05	8.92	0.05	8.96	0.05	9.01	0.05	9.06
APR	8.36	0.20	8.56	0.20	8.76	0.06	8.82	0.06	8.87	0.06	8.93	0.06	8.99	0.06	9.05	0.06	9.11	0.06	9.17
MAR	8.39	0.22	8.61	0.22	8.82	0.05	8.87	0.05	8.92	0.05	8.97	0.06	9.03	0.06	9.10	0.06	9.16	0.06	9.22
FEB	8.30	0.23	8.53	0.23	8.76	0.06	8.82	0.06	8.87	0.06	8.93	0.05	8.98	0.05	9.04	0.05	9.09	0.05	9.14
JAN 1992	8.22	0.21	8.43	0.21	8.63	0.07	8.70	0.07	8.77	0.07	8.84	0.05	8.89	0.05	8.93	0.05	8.98	0.05	9.03
DEC	8.38	0.17	8.55	0.17	8.71	0.06	8.77	0.06	8.82	0.06	8.88	0.06	8.94	0.06	9.01	0.06	9.07	0.06	9.13
NOV	8.52	0.17	8.70	0.17	8.87	0.06	8.93	0.06	8.99	0.06	9.05	0.08	9.13	0.08	9.20	0.08	9.28	0.08	9.36
OCT	8.57	0.17	8.75	0.17	8.92	0.07	8.99	0.07	9.05	0.07	9.12	0.07	9.19	0.07	9.25	0.07	9.32	0.07	9.39
SEP	8.65	0.15	8.80	0.15	8.95	0.07	9.02	0.07	9.09	0.07	9.16	0.06	9.22	0.06	9.28	0.06	9.34	0.06	9.40
AUG	8.81	0.13	8.94	0.13	9.06	0.08	9.14	0.08	9.21	0.08	9.29	0.06	9.35	0.06	9.41	0.06	9.47	0.06	9.53
JUL	9.10	0.08	9.18	0.08	9.26	0.10	9.36	0.10	9.45	0.10	9.55	0.05	9.60	0.05	9.64	0.05	9.69	0.05	9.74
JUN	9.10	0.09	9.19	0.09	9.28	0.10	9.38	0.10	9.48	0.10	9.59	0.07	9.66	0.07	9.72	0.07	9.79	0.07	9.86
MAY	8.93	0.12	9.05	0.12	9.16	0.09	9.25	0.09	9.35	0.09	9.44	0.07	9.51	0.07	9.57	0.07	9.64	0.07	9.71
APR	8.85	0.10	9.05	0.10	9.14	0.11	9.25	0.11	9.35	0.11	9.46	0.06	9.52	0.06	9.58	0.06	9.64	0.06	9.70
MAR	9.04	0.10	9.14	0.10	9.23	0.11	9.34	0.11	9.44	0.11	9.55	0.06	9.61	0.06	9.68	0.06	9.74	0.06	9.80
FEB	8.92	0.12	9.04	0.12	9.16	0.10	9.26	0.10	9.37	0.10	9.47	0.07	9.54	0.07	9.61	0.07	9.68	0.07	9.75
JAN 1991	9.17	0.11	9.28	0.11	9.39	0.11	9.50	0.11	9.60	0.11	9.71	0.08	9.79	0.08	9.88	0.08	9.96	0.08	10.04
DEC	9.18	0.12	9.30	0.12	9.42	0.10	9.52	0.10	9.63	0.10	9.73	0.08	9.81	0.08	9.88	0.08	9.96	0.08	10.04
NOV	9.43	0.08	9.51	0.08	9.59	0.10	9.69	0.10	9.80	0.10	9.90	0.07	9.97	0.07	10.05	0.07	10.12	0.07	10.19
OCT	9.66	0.05	9.72	0.05	9.77	0.09	9.86	0.09	9.96	0.09	10.05	0.08	10.13	0.08	10.20	0.08	10.28	0.08	10.36
SEP	9.73	0.07	9.80	0.07	9.87	0.08	9.95	0.08	10.04	0.08	10.12	0.07	10.19	0.07	10.25	0.07	10.32	0.07	10.39
AUG	9.54	0.12	9.66	0.12	9.78	0.05	9.83	0.05	9.87	0.05	9.92	0.07	9.99	0.07	10.05	0.07	10.12	0.07	10.19
JUL	9.36	0.13	9.49	0.13	9.61	0.05	9.66	0.05	9.70	0.05	9.75	0.06	9.81	0.06	9.86	0.06	9.92	0.06	9.98

RANGE FOR CHESAPEAKE GAS

Natural Gas Index:			
Two-Stage DCF Results	10.3%		
CAPM Results	9.5%		
Electric Utility Index:			
Two-Stage DCF Results	10.9%		
Bond-Yield Adjustment:	0.37%		
Risk Premium Adjustment	0.65%		
Suggested Range:	10.6%	to	11.3%
Suggested ROE Mid-Point	11.3%		

9

EXHIBIT LIST - CHRISTINE ROMIG

1. RESPONSE TO VERBAL REQUEST REGARDING GROSS RECEIPTS TAX AND FLEX RATE LIABILITY DATED 06/16/00.

2. RESPONSE NO. 30 TO STAFF'S THIRD SET OF INTERROGATORIES.

3. RESPONSE NO. 40 TO STAFF'S THIRD SET OF INTERROGATORIES.

4 RESPONSE NO. 43 TO STAFF'S THIRD SET OF INTERROGATORIES.

5. RESPONSE NO. 44 TO STAFF'S THIRD SET OF INTERROGATORIES.

6. RESPONSE NO. 93 TO STAFF'S THIRD SET OF INTERROGATORIES.

7. RESPONSE NO. 95 TO STAFF'S THIRD SET OF INTERROGATORIES.

8. RESPONSE NO. 101 TO STAFF'S THIRD SET OF INTERROGATORIES.

9. RESPONSE NO. 114 TO STAFF'S THIRD SET OF INTERROGATORIES.

10. RESPONSE NO. 115 TO STAFF'S THIRD SET OF INTERROGATORIES.

11. RESPONSE NO. 117 TO STAFF'S THIRD SET OF INTERROGATORIES.

12. RESPONSE NO. 118 TO STAFF'S THIRD SET OF INTERROGATORIES.

13. RESPONSE NO. 122 TO STAFF'S THIRD SET OF INTERROGATORIES.

14. RESPONSE NO. 123 TO STAFF'S THIRD SET OF INTERROGATORIES.

15. RESPONSE NO. 129 TO STAFF'S THIRD SET OF INTERROGATORIES.

16. RESPONSE NO. 130 TO STAFF'S THIRD SET OF INTERROGATORIES.

17. RESPONSE NO. 131 TO STAFF'S THIRD SET OF INTERROGATORIES.

18. RESPONSE NO. 43-A TO STAFF'S THIRD REQUEST FOR PRODUCTION OF DOCUMENTS

DO WE NEED TO TAKE NOTICE OF OUR RULES? IF SO, NEED TO TAKE NOTICE OF RULE 25-14.013, ACCOUNTING FOR DEFERRED INCOME TAXES UNDER SFAS 109.

ARE WE TAKING NOTICE OF OTHER COMMISSION ORDERS THAT WE ARE RELYING ON? IN THAT CASE, I MAY NEED TO TAKE NOTICE OF A PALM COAST ORDER, ALSO.

01

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 000108-GU EXHIBIT NO. 9
COMPANY/ WITNESS: FPSC Staff
DATE: 10-16-00

RESPONSE TO VERBAL REQUEST
FROM CHRISTINE ROMIG
FLORIDA PUBLIC SERVICE COMMISSION
6/16/2000

1. Why did the Company remove the gross receipts tax from it's rates and show them separately on the Company's bills?

   In the Company's rate restructuring, Docket No. 971559-GU, the Company proposed in its cost of service study filed with the petition to exclude the gross receipts tax from base rates. (See page 14, line 5, of the cost of service study, attached.) In Order No. PSC-98-0455-FOF-GU, the Commission approved the rates as shown on page 3, of the Order. The rates in the Order are identical to the rates filed and shown on page 14, line 5, of the cost of service study.

2. Under what authority is the interest charged on the Company's flex rate liability account?

   The Company cannot identify any specific authority to charge the flex rate interest. However, it is calculated in a manner similar to the PGA and conservation accounts. The Company is still researching this item and may be able to more accurately respond at a later date. Since September 1990, the Company has filed with the Commission Staff, monthly reports clearly indicating the interest rate and dollar amounts included in the flex rate liability. The 13-month average for the flex rate liability interest is $2,953. A copy of the December 1999 flex rate filing is attached.

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
FOR THE YEAR ENDED DECEMBER 31, 1999

COST OF SERVICE SUMMARY
CALCULATION OF PROPOSED RATES

A LINE #	B	C	D RESIDENTIAL	E COMMERCIAL	F COMMERCIAL LARGE VOL.	G INDUSTRIAL	H INTERRUPT	I SPECIAL CONTRACTS
1	Proposed rates including gross receipts tax		$0.47822	$0.22453	$0.17551	$0.08009	$0.05393	various
2	Divide by current revenue related tax multiplier		1.01911	1.01911	1.01911	1.01911	1.01911	
3	Unadjusted rate		0.46929	0.22032	0.17222	0.07859	0.05292	
4	Multiply by PSC tax multiplier		1.00376	1.00376	1.00376	1.00376	1.00376	
5	Proposed rates excluding gross receipts tax		$0.46905	$0.22115	$0.17287	$0.07889	$0.05312	
6	Existing rates		$0.43126	$0.19532	$0.13465	$0.07348	$0.04032	
7	% increase/(decrease) from existing non-fuel rate		8.76%	13.22%	28.38%	7.36%	31.75%	

CENTRAL FLORIDA GAS

January 18, 2000

Mr. Wayne Makin
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0868

Dear Mr. Makin:

Attached please find our flexible rate filing for December 1999. Please call me if you have any questions.

Sincerely,

James A. Williams
Accounting & Rates Manager

Central Florida Gas Company
A Division of Chesapeake Utilities Corporation
1015 Sixth Street, NW · P.O. Box 960 Winter Haven, Florida 33881 · 941.293.2125 · 941.294.3895 / fax

98flexref.xls

CHESAPEAKE UTILITIES CORPORATION
FLEXIBLE RATE PROVISION
CALCULATION OF REFUND FOR 11/99-10/00
ACCOUNT 2428
Dec-99

REFUND RATE = 0.00344
REFUND PERIOD = NOV 1999 - OCTOBER 2000

RATE CLASS	DESCRIPTION	REVENUE CODE	THERMS	DOLLAR AMOUNT OF REFUND
A-1	RESIDENTIAL	4801	243,384.00	837.24
B	ANNUAL	4802	589.00	2.03
			243,973.00	839.27
C-1	COMM <50	4811	408,368.00	1,404.79
D-1	COMM 50-100	4812	52,356.00	180.10
J-1	COMM >100	4813	78,570.00	270.29
			539,294.00	1,855.18
C-3	INDUSTRIAL <50	4814	44,958.00	154.66
D-3	INDUSTRIAL 50-100	4815	99,522.00	342.36
J-3	INDUSTRIAL >100	4816	252,244.00	867.72
			396,724.00	1,364.74
I-1	INTERRUPTIBLE	4817	839,181.00	N/A
I-3	PUBLIC AUTHORITY	4821	0.00	N/A
	OFF SYSTEM SALES		0.00	
	SUB TOTAL SALES		2,019,172.00	4,059.19
	FIRM TRANS.		1,864,070	N/A
	INTERR. TRANS.		150,550	N/A
	ITS. TRANS.		143,760	N/A
	SPECIAL CONTRACT TRANS		2,343,140	N/A
	LVCTS		4,747,650	N/A
	ST CLD TRANS.		0	N/A
	SUB TOTAL TRANS		9,249,170.00	N/A
	TOTAL DELIVERIES		11,268,342.00	4,059.19

CHESAPEAKE UTILITIES CORPORATION
SUMMARY OF FLEXIBLE RATE PROVISION OF THE INTERRUPTIBLE SALES SERVICE RATE SCHEDULE

DECEMBER 1999

CUSTOMER NAME	EFFECTIVE DATE OF FLEX	FLEX RATE	THERMS SUBJECT TO FLEX	REVENUE UNDER APPROVED BASE RATES	REVENUE UNDER FLEX RATE OR COMPETITIVE FUEL RATE	DIFFERENCE
FLORIDA DISTILLERS, AUBURNDALE	08/01/99	0.05312	0	$0.00	$0.00	$0.00
BARTOW ETHANOL	08/01/99	0.07335	136,549	$7,253.47	$10,015.86	$2,762.39
CLARK ENVIRONMENTAL	08/01/99	0.07335	60,310	$3,203.68	$4,423.75	$1,220.07
DART	08/01/99	0.07335	0	$0.00	$0.00	$0.00
DART (INTER TRANSP)	04/01/99	0.07990	0	$0.00	$0.00	$0.00
IMC MULBERRY	08/01/99	0.05312	130,201	$6,916.28	$6,916.28	$0.00
IMC AGRICO COMPANY,NICHOLS	08/01/99	0.07335	0	$0.00	$0.00	$0.00
IMCF AGRICO NORALYN	08/01/99	0.07335	0	$0.00	$0.00	$0.00
INTERNATIONAL PETROL.	08/01/99	0.07335	17,355	$921.87	$1,272.95	$351.08
LYKES BROTHERS	08/01/99	0.07335	122,966	$6,531.93	$9,019.52	$2,487.59
MASTER CONTAINER	08/01/99	0.07335	0	$0.00	$0.00	$0.00
AGRIFOS LLC	08/01/99	0.07335	194,189	$10,315.30	$14,243.73	$3,928.43
ST. CLOUD	08/01/99	0.07231	0	$0.00	$0.00	$0.00
ST. CLOUD (TRANSP)	08/01/99	0.07558	0	$0.00	$0.00	$0.00
WILLAMETTE	08/01/99	0.07335	65,882	$3,499.68	$4,832.48	$1,332.80
CUSTOM CHEMICALS CORPORATION	08/01/99	0.07335	43,075	$2,288.15	$3,159.56	$871.41
TOTAL			770,526	40,930.36	$53,884.13	$12,953.77

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FLORIDA DIVISION
INTEREST ON FLEX RATES
OCTOBER 1999-SEPTEMBER 2000
ACCOUNT 2428

	DEC 99
FLEX RATES	
1. BEGINNING BALANCE IN 2428 - LIAB. INCLUDING INTEREST	66,980.99
2. CURRENT MONTH SURPLUS (DEFICIT) OF FLEX REVENUE	6,476.89
3. ENDING BALANCE IN 2428 - BEFORE INTEREST	73,457.88
4. TOTAL (1 + 3)	140,438.86
5. AVERAGE BALANCE (50% OF 4)	70,219.43
6. INTEREST RATE - FIRST DAY OF MONTH	6.000%
7. INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	5.630%
8. TOTAL (6 + 7)	11.630%
9. AVERAGE (50% OF 8)	5.815%
10. MONTHLY AVERAGE (9 / 12)	0.485%
11. INTEREST PROVISION (5 X 10)	341.00
12. TOTAL (3 + 11)	73,798.88
13. RECOGNIZE COMPANY SHARE	
14. BALANCE TO APPLY INTEREST	$73,798.88

07

FL[illegible]DA DIVISION
INTEREST ON FLEX RATES /REFUNDING ACCOUNT
NOVEMBER 1, 1999 - OCTOBER 31, 2000
ACCOUNT 24281

	DECEMBER 99
FLEX RATES	
1. BEGINNING BALANCE IN 2428 - LIAB. INCLUDING INTEREST	5,046.04
2. CURRENT MONTH SURPLUS (DEFICIT) OF FLEX REVENUE	(4,059.19)
3. ENDING BALANCE IN 2428 - BEFORE INTEREST	986.85
4. TOTAL (1 + 3)	6,032.88
5. AVERAGE BALANCE (50% OF 4)	3,016.44
6. INTEREST RATE - FIRST DAY OF MONTH	6.000%
7. INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	5.630%
8. TOTAL (6 + 7)	11.630%
9. AVERAGE (50% OF 8)	5.815%
10. MONTHLY AVERAGE (9 / 12)	0.485%
11. INTEREST PROVISION (5 X 10)	15.00
12. TOTAL (3 + 11)	1,001.85

Attachment 30

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 30

Referring to Schedule G-3, page 239 of the MFRs, please explain how the cost rate for the flex rate liability, 6.30%, was developed. In your response, please include all assumptions.

Answer

(Williams)

The cost rate for flex rate is developed by taking the balance of the flex rate accounts and calculating monthly interest using the Dealer Commercial Paper Rate as published in the Wall Street Journal. This is the same rate used for calculating monthly interest in the PGA and Conservation filings. These monthly balances are then used to determine a 13-month average. The 13-month average for interest expense is divided by the 13-month average for the flex rate liability to determine the cost rate. No assumptions are made in developing the cost rate for the flex rate liability. The adjustment to the flex rate liability, as noted in the Staff's Audit Report dated August 19, 2000, impacts the cost rate calculation. Please see Attachment 30-A for the revised calculations. The revised cost rate due to the correction of the liability account is 5.16%.

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
FLEX RATE LIABILITY
EFFECTIVE COST RATE
DECEMBER 31, 1999 ( ) = LIABILITY

ATTACHMENT 30-A

	ACCT BALANCE 2428	ACCT BALANCE 24281	ACCT BALANCE TOTAL	INTEREST ACCRUED 2428	INTEREST ACCRUED 24281	INTEREST ACCRUED TOTAL
DEC	(13,070)	(49,055)	(62,125)	(57)	(211)	(268)
JAN	(10,484)	(43,658)	(54,142)	(48)	(187)	(235)
FEB	(10,719)	(39,431)	(50,150)	(43)	(167)	(210)
MAR	(12,695)	(34,118)	(46,813)	(47)	(149)	(196)
APRIL	(15,116)	(29,884)	(45,000)	0	(129)	(129)
MAY	(20,524)	(25,616)	(46,140)	0	0	0
JUNE	(25,763)	(22,028)	(47,791)	0	(210)	(210)
JULY	(35,058)	(18,446)	(53,504)	(128)	(85)	(213)
AUG	(43,867)	(15,095)	(58,962)	(171)	(73)	(244)
SEPT	(51,393)	(11,950)	(63,343)	(211)	(60)	(271)
OCT	(59,861)	(8,738)	(68,599)	(245)	(46)	(291)
NOV	(66,981)	(5,046)	(72,027)	(298)	(32)	(330)
DEC	(73,799)	(1,002)	(74,801)	(341)	(15)	(356)
13 MONTH AVG	(33,795)	(23,390)	(57,184)	(1,589)	(1,364)	(2,953)
				EFFECTIVE COST RATE		5.16%

Attachment 40

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 40

Referring to Misc. Deferred Debits shown on line 21, page 26 and line 17, page 178 of the MFRs, please respond to the following:

a. Please list and describe the items included in the Misc. Deferred Debits amount of $120,404 that was removed from working capital, and provide the amount for each item.

b. Please explain why this amount was removed from working capital allowance for 1999 and 2001 and why this amount is the same for years 1999 and 2001.

c. Please explain why this amount is not included in Capital Structure even though it appears to be a Regulatory Tax Asset.

Answer

(James A. Williams)

a. This is one account 1865-2, Regulatory Asset Revenue Requirement, with a 13-month average in the amount of $120,404.

b. This account is removed to eliminate any effect in working capital. The Company did not project an increase or decrease in this account.

c. The Company does not oppose the inclusion of this item in the Capital Structure.

Attachment 43

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 43

Referring to Schedule G-1 on page 179 of the MFRs, please respond to the following:

a. Please list and describe the items included in the Misc. Current Liabilities balance of $620,710 for 2001, and provide the amount for each item, including a description and amount for each item included in the $525,478 amount that was removed from working capital.

b. Please explain why the $525,478 adjustment to Misc. Current Liabilities did not change from 1999 to 2001.

c. Please indicate whether Chesapeake agrees that the $525,478 adjustment shown on page 179 should actually be $535,783 to correct for the flex rate liability shown on page 29 of the MFRs. Please explain your response.

Answer

(Williams)
a.

Accrued executive bonus	29,266
Accrued payroll	10,212
Accrued audit fees	16,448
Deferred revenue	7,581
Flex liability	57,185
Citrosuco prepaid revenue	21,420
109 regulatory liability	276,379
Unearned interest income	202,219
	620,710

Flex liability	46,880
109 regulatory liability	276,379
Unearned interest income	202,219
	525,478

b. The adjustments used in 1999 were held constant for 2000 and 2001 in error, the same proportion to the total amount in Misc. Current Liabilities should be used. The correct amount of the adjustment should be $535,751 for an increase in working capital of $10,273 for the Projected Test Year.

c. Yes, the company agrees that the adjustment should be $535,783 as shown on page 29 of the MFRs. There was an error in the calculation of the flex liability which caused the variance.

Attachment 44

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 44

Concerning Chesapeake's flex rate revenues and liabilities, and other flex rate revenue accounts, please respond to the following:

a. Please explain the accounting and ratemaking treatment used by Chesapeake for the Flexible Rate Adjustment and the flex rate revenues.

b. Please identify the customer classes (interruptible and/or firm) affected and describe in detail how they are affected.

c. Please describe the methodology used to calculate interest on the flex rate liability and provide calculations of this amount for 1999, 2000, and 2001.

d. Please provide the basis for the interest rate assigned to the flex rate liability.

e. Please identify any specific authority that supports Chesapeake's recording of the flex rate liability interest and method of calculating this interest.

Answer

a. Flex rate revenues are calculated monthly by determining the amount collected from each interruptible customer over or under the tariff base rate. One half of the over or under collection is recorded as income and one half of the over or under collection is recorded into a liability account to be either collected or refunded to customers. Each year the over or under collection is divided by the estimated annual therm sales and then refunded or collected on a per therm basis over the next year.

b. The flex rate applies only to the interruptible customers and is used to assist the Company in charging a competitive rate to those customers having alternate fuel. However, all refunds or collections of any flex rate amount are allocated specifically and solely to firm customers.

c. See the response to Interrogatory # 30. The calculations for the years 2000 and 2001 are assumed to be identical.

d. See the response to Interrogatory # 30.

e. The Company follows the same process in recording interest that is applied to the PGA. There is no specific authority for this approach.

Attachment 93

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 93

Please indicate whether Chesapeake separately states gross receipts tax on customers' bills. If your response is affirmative, please explain why Chesapeake has included gross receipts tax as a component of the revenue expansion factor.

Answer

(Williams)

Chesapeake does state gross receipts tax separately on customers' bills.

The Company does not oppose removing the gross receipts tax as a component of the revenue expansion factor.

Attachment 95

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 95

Please provide the ($217,321) interest synchronization calculation for 2001.

Answer

(Williams)

MFR calculation for Projected Test Year Interest Synchronization adjustment as reflected on Schedule G-2, Page 1 of 31, Bates stamped page 205.

Interest attributable to rate base	$661,187
Multiplied by Combined Fed & State Tax Rate	x .3858
Preliminary Interest Synchronization Adjustment	$255,086
Less: Adjustment to agree with Cost of Service	($37,765)
Final Interest Synchronization Adjustment	$217,321

Attachment 101

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 101

a. For 1999, 2000, and 2001, please provide the total amounts included in the MFRs related to the office building, including land, building, Accumulated Depreciation, Depreciation Expense, and Property Taxes.

b. Please indicate whether any other expenses associated with this office building should be allocated to non-utility accounts. If your response is affirmative, please provide the amounts that should be so allocated and identify the account(s) to which those expenses should be recorded.

Answer

(Williams)

a.

1999	Account	Description	13 Mo. Avg Plant Balance	13 Mo. Avg Accum Depr	Depr Expense	Property Taxes
	389	Land	$98,285	$0	$0	$1,110
	390	Struct & Imp	$333,913	$80,871	$6,248	$3,773

2000	Account	Description	13 Mo. Avg Plant Balance	13 Mo. Avg Accum Depr	Depr Expense	Property Taxes
	389	Land	$98,285	$0	$0	$1,110
	390	Struct & Imp	$334,276	$88,449	$7,690	$3,777

2001	Account	Description	13 Mo. Avg Plant Balance	13 Mo. Avg Accum Depr	Depr Expense	Property Taxes
	389	Land	$98,285	$0	$0	$1,110
	390	Struct & Imp	$332,834	$96,122	$7,656	$3,761

b. No, other expenses associated with this office building should not be allocated to non-utility accounts. The office building is included in rate base, with the exception of the unused portion of the second story. No expenses are incurred relative to the unused portion of the office building.

Attachment 114

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 114

Referring to pages 19 and 20 of the prefiled direct testimony of James A. Williams, please provide the 13-month average capital structure of Chesapeake Utilities Corporation for the year ended December 31, 1999.

Answer

(Williams)
The 13-month average capital structure as described on pages 19 and 20 of the prefiled testimony of James A. Williams failed to reflect the removal of ALL acquisition adjustments along with the related accumulated amortization. Page 87 of the MFRs, along with Attachment 114-A, Schedules 1, 2, and 3 correct this failure and accurately reflect the December 31, 1999 capital structure.

Schedule 1-Interrogatory No. 114

13 MONTH AVG CAPITAL STRUCTURE

	MFR Page 87 12/31/1999	Corrected MFR Page 87 12/31/1999	Corrected Adjustments	Corrected Adjusted 12/31/1999
Equity	$11,532,736	$11,532,736	($2,900,589)	$8,632,147
Long Term Debt	$0	$0	$5,350,765	$5,350,765
Short Term Debt	$0	$0	$1,777,809	$1,777,809
Flex Rate Liability	$0	$0	$57,184	$57,184
Customer Deposits	$627,767	$627,767	$0	$627,767
Deferred Inc. Tax	$1,370,750	$1,370,750	$118,128	$1,488,878
Deferred Inc. Tax - 109	($119,250)	($118,128)	$0	($118,128)
Reg Asset/Liab 109	$119,250	$118,128	$0	$118,128
Tax Credits- 0 Cost	$346,024	$346,024	$0	$346,024
	$13,877,277	$13,877,277	$4,403,298	$18,280,575

		Corrected	Per MFR	
	Rate Base	$18,280,575	$18,280,575	$0
LESS	Customer deposits	($627,767)	($627,767)	$0
	Deferred income tax	($1,488,878)	($1,490,000)	$1,122
	Deferred ITC	($346,024)	($346,024)	$0
	Flex Rate Liability	($57,184)	($46,880)	($10,304)
		$15,760,722	$15,769,904	($9,182)

Allocate	LT Debt	33.95%	$5,350,765
	ST Debt	11.28%	$1,777,809
	Equity	54.77%	$8,632,147
		100.00%	$15,760,722

NOTE: Flex Rate Liability 13 month Average and Deferred Inc. Tax 13 month Average have been recalculated due to minor errors in schedules used in MFR's

FLORIDA DIVISION
ANALYSIS OF DEFERRED TAX ACCTS
DECEMBER 31, 1999

Schedule 2- Interrogatory 114

This calculation is to update capital structure components on Schedule 4 and to eliminate impact of FASB 109 entries on balance sheet.

	DEC	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	13 MO AVG
283-9	0	0	0	0	0	0	0	0	0	0	0	0	(24,014)	(1,847)
283-1	(6,455)	(6,455)	(6,455)	(6,455)	(6,455)	(6,455)	(6,455)	(6,455)	(6,455)	(6,455)	(6,455)	(6,455)	3,187	(5,713)
283-19	(32,785)	(32,785)	(32,785)	(32,785)	(32,785)	(32,785)	(32,785)	(32,785)	(32,785)	(32,785)	(32,785)	(32,785)	(23,051)	(32,036)
283-10	0	0	0	0	0	0	0	0	0	0	0	0	4,902	377
283-11	71,720	71,720	71,720	71,720	71,720	71,720	71,720	71,720	71,720	71,720	71,720	71,720	73,466	71,854
283-12	68,341	68,341	68,341	68,341	68,341	68,341	68,341	68,341	68,341	68,341	68,341	68,341	101,922	70,924
283-15	(40,096)	(40,096)	(40,096)	(40,096)	(40,096)	(40,096)	(40,096)	(40,096)	(40,096)	(40,096)	(40,096)	(40,096)	(40,959)	(40,162)
283-16	0	0	0	0	0	0	0	0	0	0	0	0	0	0
283-2 pre 109	(1,749,910)	(1,749,910)	(1,749,910)	(1,749,910)	(1,749,910)	(1,749,910)	(1,749,910)	(1,749,910)	(1,749,910)	(1,749,910)	(1,749,910)	(1,749,910)	(1,894,902)	(1,761,063)
283-22	23,379	23,379	23,379	23,379	23,379	23,379	23,379	23,379	23,379	23,379	23,379	23,379	28,856	23,800
283-23	2,005	2,005	2,005	2,005	2,005	2,005	2,005	2,005	2,005	2,005	2,005	2,005	0	1,851
283-27	25,527	25,527	25,527	25,527	25,527	25,527	25,527	25,527	25,527	25,527	25,527	25,527	26,912	25,634
283-3	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(67,215)	(45,917)
283-4	(35,275)	(35,275)	(35,275)	(35,275)	(35,275)	(35,275)	(35,275)	(35,275)	(35,275)	(35,275)	(35,275)	(35,275)	19,729	(31,044)
283-5	62,911	62,911	62,911	62,911	62,911	62,911	62,911	62,911	62,911	62,911	62,911	62,911	59,140	62,621
283-7	148,671	148,671	148,671	148,671	148,671	148,671	148,671	148,671	148,671	148,671	148,671	148,671	180,321	151,106
283-8	20,817	20,817	20,817	20,817	20,817	20,817	20,817	20,817	20,817	20,817	20,817	20,817	19,792	20,738
subtotal	(1,485,292)	(1,485,292)	(1,485,292)	(1,485,292)	(1,485,292)	(1,485,292)	(1,485,292)	(1,485,292)	(1,485,292)	(1,485,292)	(1,485,292)	(1,485,292)	(1,507,900)	(1,488,878)
283-2 (109)	(37,935)	(37,935)	(37,935)	(37,935)	(37,935)	(37,935)	(37,935)	(37,935)	(37,935)	(37,935)	(37,935)	(37,935)	(33,931)	(37,627)
282-2	(24,696)	(24,696)	(24,696)	(24,696)	(24,696)	(24,696)	(24,696)	(24,696)	(24,696)	(24,696)	(24,696)	(24,696)	0	(22,796)
283-14	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	0	(37,354)
283-255	215,906	215,906	215,906	215,906	215,906	215,906	215,906	215,906	215,906	215,906	215,906	215,906	215,906	215,906
subtotal 109 accounts	112,808	112,808	112,808	112,808	112,808	112,808	112,808	112,808	112,808	112,808	112,808	112,808	181,975	118,129
total	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,325,925)	(1,370,750)
109 REGULATORY ASSETS / LIABILITIES														
1865-2	123,104	123,104	123,104	123,104	123,104	123,104	123,104	123,104	123,104	123,104	123,104	123,104	88,004	120,404
253-2	(60,473)	(60,473)	(60,473)	(60,473)	(60,473)	(60,473)	(60,473)	(60,473)	(60,473)	(60,473)	(60,473)	(60,473)	(60,473)	(60,473)
253-255	(215,906)	(215,906)	(215,906)	(215,906)	(215,906)	(215,906)	(215,906)	(215,906)	(215,906)	(215,906)	(215,906)	(215,906)	(215,906)	(215,906)
1143	40,467	40,467	40,467	40,467	40,467	40,467	40,467	154,590	154,590	154,590	154,590	154,590	0	81,248
subtotal 109 accounts	(112,808)	(112,808)	(112,808)	(112,808)	(112,808)	(112,808)	(112,808)	1,315	1,315	1,315	1,315	1,315	(188,375)	(74,727)
13 MONTH AVG TCR	0	0	0	0	0	0	0	0	0	0	0	0	0	0

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
FLEX RATE LIABILITY
EFFECTIVE COST RATE
DECEMBER 31, 1999 ( ) = LIABILITY

Schedule 3-Interrogatory 114

	ACCT BALANCE 2428	ACCT BALANCE 24281	ACCT BALANCE TOTAL
DEC	(13,070)	(49,055)	(62,125)
JAN	(10,484)	(43,658)	(54,142)
FEB	(10,719)	(39,431)	(50,150)
MAR	(12,695)	(34,118)	(46,813)
APRIL	(15,116)	(29,884)	(45,000)
MAY	(20,524)	(25,616)	(46,140)
JUNE	(25,763)	(22,028)	(47,791)
JULY	(35,058)	(18,446)	(53,504)
AUG	(43,867)	(15,095)	(58,962)
SEPT	(51,393)	(11,950)	(63,343)
OCT	(59,861)	(8,738)	(68,599)
NOV	(66,981)	(5,046)	(72,027)
DEC	(73,799)	(1,002)	(74,801)
13 MONTH AVG	(33,795)	(23,390)	(57,184)

Attachment 115

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 115

Referring to the account entitled "Customer Deposits – Refunds" shown on line 4 of page 179 of the MFRs, please respond to the following:

a. Please explain the nature of this account.

b. Please explain why zero has been projected for years 2000 and 2001.

c. Please indicate what amounts, if any, Chesapeake believes to be appropriate for years 2000 and 2001. In your response, please describe the method used to determine this amount and the related calculations.

d. Please provide the ten previous years historical balances for this account.

Answer

(Williams)

a. After a customer has established a satisfactory payment record and has had continuous service for a period of not less than 23 months, the company will refund the customer's deposits and shall, at its option, either refund or pay the higher rate of interest specified in Section 4.4 of the Company's approved tariff, provided the customer has not, in the preceding twelve months, a) made more than one late payment of the bill b) paid with a check refused by the bank, c) been disconnected for non-payment, d) tampered with the gas meter, or e) used service in a fraudulent or unauthorized manner. Upon termination of service, the deposit and accrued interest may be credited against the final

account and the balance, if any, shall be returned promptly to the customer but in no event later than fifteen day after service is discontinued.

b. The projection for years 2000 and 2001 is not zero but is combined into the total noted on Schedule G-1, Page 3 of 28, Bates-stamped page 179, Line 5 – Customer Deposits for these years.

c. Please see response b. above.

d. The Company believes that the year-end amount for this account for the past ten years has been either at $0 or close to $0 for each year.

Attachment 117

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 117

Please explain why Chesapeake used the Federal Tax Rate of 35% rather than 34% for the Florida Division. Please provide the Florida Division's stand-alone federal tax rate. Please provide Chesapeake's calculation of the Florida Division's stand-alone federal tax rate.

Answer

(Williams)

The Company does not oppose the use of a 34% Federal Tax Rate for the Florida Division.

Attachment 118

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 118

The Florida Division of Chesapeake Utilities Corporation Clearing Accounts 13-month average detail for 1999 contains an Account 1841 described as Reg Asset – Federal Tax to 35%. Please respond to the following concerning this item:

a. Please indicate whether this item has been adjusted out of the clearing account and into the Accumulated Deferred Taxes in the Capital Structure in compliance with Rule 25-14.013(11), Florida Administrative Code. If your response is negative, please identify the location of this item in the MFRs for 1999, and its location and dollar amounts for years 2000 and 2001.

b. Please provide the appropriate amounts for this item for years 1999, 2000 and 2001, assuming a 34% Federal Tax Rate to be appropriate for the Florida Division.

c. If the appropriate Federal Tax Rate for the Florida Division is found to be 34%, please indicate whether Chesapeake agrees that the amounts provided in response to part b. of this interrogatory should be disallowed as an element of its cost of service.

Answer

(Williams)

a. No. This item has not been adjusted out of the clearing account and into the Accumulated Deferred Taxes in the Capital Structure. In 1999, this amount (13-month average of $2,645) appears on Schedule B-13, Page 1 of 2, Bates-stamped page 26, Line 23 (as a part of the ($7,429) amount). In 2000, this amount (13-month average of $2,645) appears on Schedule G-1, Page 5 of 28, Bates-stamped page 181, Line 32. In 2001, this amount (13-month average of $0) appears on Schedule G-1, Page 7 of 28, Bates-stamped page 183, Line 32.

b. The appropriate amounts for the Clearing Accounts item described as Reg Asset – Federal Tax to 35% would be $0 for 1999, 2000 and 2001, assuming a 34% Federal Tax Rate for the Florida Division.

c. The Company would not oppose that the amounts provided in response to part b. of this interrogatory should be disallowed as an element of its cost of service.

Attachment 122

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 122

Please provide, for 2000 and 2001, a Schedule of Other Taxes in the same format as the schedule presented on pages 74 and 75 of the MFRs. Please provide the calculations that support the projections for 2000 and 2001 for each line item in this new schedule.

Answer

(Williams)

Please see Attachment No. 122-A.
The payroll tax calculation assumes a 4% increase in payroll taxes for both 2000 and 2001. The property tax assumes approximately a 15% increase from 1999 to 2000 and approximately an 11% increase from 2000 to 2001.

OTHER TAXES

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP

DOCKET NO. 000108-GU

EXPLANATION: PROVIDE A SCHEDULE OF TAXES OTHER THAN INCOME TAXES FOR THE HISTORIC BASE YEAR + 1 AND THE PROJECTED TEST YEAR. FOR EACH TAX, INDICATE THE AMOUNT CHARGED TO OPERATING EXPENSES.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

OTHER TAXES FOR THE PRIOR YEAR ENDED 12/31/00

LINE NO.	TYPE OF TAX		(1) RATE	(2) TAX BASIS ($)	(3) TOTAL AMOUNT (1 X 2)	(4) JURISDICTIONAL FACTOR	(5) JURISDICTIONAL AMOUNT	(6) AMOUNT CHARGED TO OPERATING EXPENSES
1	FEDERAL UNEMPLOYMENT		0.008		-		-	-
2	STATE UNEMPLOYMENT		VARIOUS		-		-	-
3	FICA		0.0765		174,406		174,406	174,406
4	FEDERAL VEHICLE							
5	STATE INTANGIBLE							
6	UTILITY ASSESSMENT FEE		0.00375		77,232		77,232	77,232
7	PROPERTY		VARIOUS		352,660		352,660	352,660
8	GROSS RECEIPTS	JAN-APR 98 MAY-DEC 98	0.01026 0.02564		288,244		288,244	288,244
9	FRANCHISE FEE				212,190		212,190	212,190
10	OCCUPATIONAL LICENSE		VARIOUS		1,956		1,956	1,956
11	OTHER (PLEASE LIST)		VARIOUS					
12	CORPORATE OVERHEAD ALLOCATION (FRANCHISE)							
13	MISCELLANEOUS				100,778		100,778	100,778
14			TOTAL		1,207,466		1,207,466	1,207,466

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

OTHER TAXES

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: PROVIDE A SCHEDULE OF TAXES OTHER THAN INCOME TAXES FOR THE HISTORIC BASE YEAR AND THE PRIOR YEAR. FOR EACH TAX, INDICATE THE AMOUNT CHARGED TO OPERATING EXPENSES.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR DATA: 12/31/01
WITNESS: WILLIAMS

OTHER TAXES FOR THE HISTORICAL BASE YEAR ENDED 12/31/01

LINE NO.	TYPE OF TAX	(1) RATE	(2) TAX BASIS ($)	(3) TOTAL AMOUNT (1 X 2)	(4) JURISDICTIONAL FACTOR	(5) JURISDICTIONAL AMOUNT	(6) AMOUNT CHARGED TO OPERATING EXPENSES
1	FEDERAL UNEMPLOYMENT	0.008					
2	STATE UNEMPLOYMENT	VARIOUS					
3	FICA	0.0765		181,382		181,382	181,382
4	FEDERAL VEHICLE						
5	STATE INTANGIBLE						
6	UTILITY ASSESSMENT FEE	0.00500		79,957		79,957	79,957
7	PROPERTY	VARIOUS		391,184		391,184	391,184
8	GROSS RECEIPTS	0.02564		272,938		272,938	272,938
9	FRANCHISE FEE	VARIOUS		200,922		200,922	200,922
10	OCCUPATIONAL LICENSE	VARIOUS		1,956		1,956	1,956
11	OTHER (PLEASE LIST)						
12	CORPORATE OVERHEAD ALLOCATION (FRANCHISE)						
13	MISCELLANEOUS	VARIOUS		26,879		26,879	26,879
14		TOTALS		1,155,218		1,155,218	1,155,218

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

Attachment 123

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 123

Referring to Audit Exception No. 1 of the Audit Report prepared for this proceeding, please respond to the following:

a. Please explain why sales tax was apparently double-counted.

b. If sales tax was double-counted or some other error occurred, please provide the total amount erroneously included in Plant for 1999, 2000, and 2001.

Answer

(Williams)

a. The utility charged additional sales tax of $1,114 and $1,210 on the total amount of two invoices in account 376 and an additional $575 on an invoice in account 381. The tax was included in the invoices and then the utility inadvertently charged an additional 6% sales tax on the total invoice.

b. The total amount erroneously included in Plant for 1999 was $2,324 in account 376 and $575 in account 381. Therefore, 2000 and 2001 are also overstated by these amounts.

Attachment 129

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 129

Please explain how Chesapeake accounts for Gross Receipts Tax when the tax is first recorded on Chesapeake's books and when the tax is paid. Please provide sample journal entries in your response.

Answer

(Williams)

Gross receipts tax is collected monthly and paid in the same month.

See Attachment 129-A for example of journal entry.

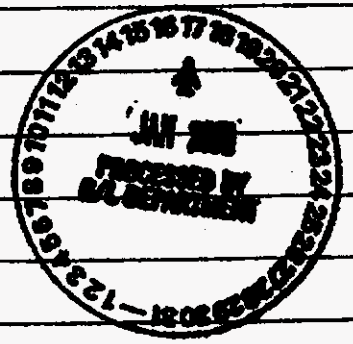
Int 29

ENTRY TRANSACTIONS

COMPANY ID	JOURNAL CODE	ACCOUNTING PERIOD	PREPARED BY	DATE	APPROVED BY	DATE
CFG	J12A	12 31 99	JBB	1/17/99		

DESCRIPTION	G/L CONTROL	CENTER	JOB CODE	DEBIT AMOUNT	CREDIT AMOUNT
11/99 Gross Receipts Tax Wire	Bal Sht: 2367	Accrued gross rec tax		31,082.60	
	1316	Cash disburs - Delaware			31,082.60
11/99 Sales Tax Wire	2366			15,573.81	
	4951				91.72
	1316				15,482.09
4th Qtr Corp Inc Tax Wire	2364-4			28,000.00	
	1316				28,000.00
			TOTALS		

34



Attachment 130

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 130

Referring to page 249 of the MFRs, please explain why Chesapeake did not include a Bad Debt factor.

Answer

(Williams)
There was no bad debt factor used in the last rate case. Therefore, it is not included in this filing.

Attachment 131

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 131

Referring to pages 179, 87, 238, and 239 of the MFRs, please respond to the following:

a. Please provide Chesapeake's calculation of Interest Accrued in Working Capital Allowance for 1999, 2000, and 2001.

b. Based on the MFRs, staff calculates interest in the capital structure to be $559,026 for 1999, $349,064 for 2000, and $661,187 for 2001. On page 179, the MFRs show that Interest Accrued remains at $116,368 for 1999 and 2001. Please explain why Interest Accrued does not increase as interest expense increases.

Answer

(Williams)

a. For interest accrued calculation, see Attachment 131-A. The 2000 and 2001 year-end balance for accrued interest is assumed to be the same.

b. Interest is not accrued on the Florida Division's books for long-term debt and short-term debt. Interest expense is allocated monthly to the Florida Division for those two items. Interest is accrued monthly for customer deposits and flex rate liability. An adjustment is made to the Florida Division's books on the interest payable on Corporate long term debt and short term debt for rate case purposes only. The accrued interest at year end was assumed to remain the same as the 12\31\99 balance for rate case purposes as described on Page 253, Line 14, of the MFR's.

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
INTEREST PAYABLE ADJUSTMENT
DECEMBER 31, 1999

ATTACHMENT 131-A

This adjustment is to record interest payable for CFG's ratemaking purposes.
Actual interest payable is recorded on CUC's books.

BALANCE PER PARENT BOOKS

	STD 237-1	LTD 237-CON	LTD 237-IRB	LTD 237-SEN	LTD 237-SEN2	LTD 237-SEN3	LTD 237I	TOTAL	FLORIDA INTEREST ALLOCATION	INTEREST PAYABLE ADJUST
DEC	44,741	107,511	0	332,084	0	0	16,787	501,123	15.28%	76,569
JAN	46,855	133,753	0	398,501	57,583	57,083	50,363	744,138		113,701
FEB	32,239	157,451	0	66,418	115,167	114,167	83,940	569,382		86,999
MAR	25,678	27,094	0	119,551	172,750	171,250	117,515	633,838		96,848
APR	20,064	53,033	0	179,326	57,583	228,333	151,091	689,430		105,342
MAY	10,472	78,973	0	239,101	115,167	285,416	184,667	913,796		139,624
JUNE	14,521	104,912	0	298,876	172,750	342,500	15,772	949,331		145,054
JULY	30,327	130,852	0	1	57,583	57,083	47,318	323,164		49,378
AUG	36,889	0	0	59,776	115,167	114,167	78,864	404,863		61,861
SEPT	57,490	25,616	0	119,551	0	171,250	110,409	484,316		74,001
OCT	79,116	51,232	0	179,326	57,583	228,333	141,955	737,545		112,694
NOV	108,223	76,849	0	239,101	115,167	285,416	173,501	998,257		152,529
DEC	109,797	102,382	0	298,876	0	0	14,758	525,813		80,342
									13 MONTH AVG	99,611

12/31/99 interest accrued balance	16758
add: Chesapeake Interest Accrued	99611
Total Interest Accrued- FL Div.	116369

Attachment 43-A

STAFF'S THIRD REQUEST FOR PRODUCTION OF DOCUMENTS TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (NOS. 32-44) DOCKET NO. 000108-GU

Copies of journal entries recording flex rate accounts. Copy of interruptible customer list with flex rate amounts. Flex rate interest calculation.

ENTRY TRANSACTIONS

CFG (COMPANY)	J01C (JOURNAL CODE)	12/31/99 ACCOUNTING PERIOD	Prepared by: JBB	Date: 1/15/00
			Approved by:	Date:

DESCRIPTION	ACCOUNT	CENTER	JOB CODE	DEBIT AMOUNT	CREDIT AMOUNT
RECORD COMPANY PORTION FLEX SURPLUS	4817			6,476.88	.
	48171			.	6,476.88
				.	.
RECORD RATE PAYER PORTION FLEX SURPLUS	4817			6,476.89	.
	2428			.	6,476.89
				.	.
RECORD INTEREST ON FLEX SURPLUS	431			341.00	.
	2428			.	341.00
				.	.
	431			15.00	.
	24281			.	15.00
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			Totals	13,309.77	13,309.77

JAN 2000
PROCESSED BY G/L DEPARTMENT

ENTRY TRANSACTIONS

CFG (COMPANY)	J01D (JOURNAL CODE)	12/31/99 ACCOUNTING PERIOD	Prepared by: JBB Approved by:	Date: 1/15/00 Date:

DESCRIPTION	ACCOUNT	CENTER	JOB CODE	DEBIT AMOUNT	CREDIT AMOUNT
REFUND FLEX SURPLUS	4801			.	837.24
	4802			.	2.03
	4811			.	1,404.79
	4812			.	180.10
	4813			.	270.29
	4814			.	154.66
	4815			.	342.36
	4816			.	867.72
	4817			.	0.00
	4821			.	0.00
	24281			4,059.19	.
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			Totals	4,059.19	4,059.19

JAN 2000
PROCESSED BY G/L DEPARTMENT

98flexref.xls

CHESAPEAKE UTILITIES CORPORATION
FLEXIBLE RATE PROVISION
CALCULATION OF REFUND FOR 11/99-10/00
ACCOUNT 2428
Dec-99

REFUND RATE = 0.00344
REFUND PERIOD = NOV 1999 - OCTOBER 2000

RATE CLASS	DESCRIPTION	REVENUE CODE	THERMS	DOLLAR AMOUNT OF REFUND
A-1	RESIDENTIAL	4801	243,384.00	837.24
B	ANNUAL	4802	589.00	2.03
			243,973.00	839.27
C-1	COMM <50	4811	408,368.00	1,404.79
D-1	COMM 50-100	4812	52,356.00	180.10
J-1	COMM >100	4813	78,570.00	270.29
			539,294.00	1,855.18
C-3	INDUSTRIAL <50	4814	44,958.00	154.66
D-3	INDUSTRIAL 50-100	4815	99,522.00	342.36
J-3	INDUSTRIAL >100	4816	252,244.00	867.72
			396,724.00	1,364.74
I-1	INTERRUPTIBLE	4817	839,181.00	N/A
I-3	PUBLIC AUTHORITY	4821	0.00	N/A
	OFF SYSTEM SALES		0.00	
	SUB TOTAL SALES		2,019,172.00	4,059.19
	FIRM TRANS.		1,864,070	N/A
	INTERR. TRANS.		150,550	N/A
	ITS. TRANS.		143,760	N/A
	SPECIAL CONTRACT TRANS		2,343,140	N/A
	LVCTS		4,747,650	N/A
	ST CLD TRANS.		0	N/A
	SUB TOTAL TRANS		9,249,170.00	N/A
	TOTAL DELIVERIES		11,268,342.00	4,059.19

99flex.xls

CHESAPEAKE UTILITIES CORPORATION
SUMMARY OF FLEXIBLE RATE PROVISION OF THE
INTERRUPTIBLE SALES SERVICE
RATE SCHEDULE

DECEMBER 1999

CUSTOMER NAME	EFFECTIVE DATE OF FLEX	FLEX RATE	THERMS SUBJECT TO FLEX	REVENUE UNDER APPROVED BASE RATES	REVENUE UNDER FLEX RATE OR COMPETITIVE FUEL RATE	DIFFERENCE	
FLORIDA DISTILLERS, AUBURNDALE	06/01/99	0.05312	0	$0.00	$0.00	$0.00	
BARTOW ETHANOL	08/01/99	0.07335	136,549	$7,253.47	$10,015.86	$2,762.39	4817
CLARK ENVIRONMENTAL	08/01/99	0.07335	60,310	$3,203.68	$4,423.75	$1,220.07	
DART	08/01/99	0.07335	0	$0.00	$0.00	$0.00	
DART (INTER TRANSP)	04/01/99	0.07590	0	$0.00	$0.00	$0.00	
IMC MULBERRY	06/01/98	0.05312	130,201	$6,916.28	$6,916.28	$0.00	
IMC AGRICO COMPANY,NICHOLS	08/01/99	0.07335	0	$0.00	$0.00	$0.00	
IMCF AGRICO NORALYN	09/01/99	0.07335	0	$0.00	$0.00	$0.00	
INTERNATIONAL PETROL.	08/01/99	0.07335	17,355	$921.87	$1,272.95	$351.08	4817
LYKES BROTHERS	08/01/99	0.07335	122,966	$6,531.93	$9,019.52	$2,487.59	
MASTER CONTAINER	09/01/99	0.07335	0	$0.00	$0.00	$0.00	
AGRIFOS LLC	08/01/99	0.07335	194,189	$10,315.30	$14,243.73	$3,928.43	
ST. CLOUD	08/01/99	0.07231	0	$0.00	$0.00	$0.00	
ST. CLOUD (TRANSP)	09/01/99	0.07558	0	$0.00	$0.00	$0.00	
WILLAMETTE	08/01/99	0.07335	65,882	$3,499.68	$4,832.48	$1,332.80	4817
CUSTOM CHEMICALS CORPORATION	08/01/99	0.07335	43,075	$2,288.15	$3,159.56	$871.41	
TOTAL			770,526	40,930.36	$53,884.13	$12,953.77	

Surplus Co. Portion

48171 6,476.88

4817 6476.88

Rate Payer Surplus

2428 6,476.89

4817 6,476.89

x 50%

6,476.89

4817 12,953.77

99flex_1299.xls

1/15/00
9:20 AM

FLORIDA DIVISION
INTEREST ON FLEX RATES
OCTOBER 1999-SEPTEMBER 2000
ACCOUNT 2428

	DEC 99
FLEX RATES	
1. BEGINNING BALANCE IN 2428 - LIAB. INCLUDING INTEREST	66,980.99
2. CURRENT MONTH SURPLUS (DEFICIT) OF FLEX REVENUE	6,476.89
3. ENDING BALANCE IN 2428 - BEFORE INTEREST	73,457.88
4. TOTAL (1 + 3)	140,438.86
5. AVERAGE BALANCE (50% OF 4)	70,219.43
6. INTEREST RATE - FIRST DAY OF MONTH	6.000%
7. INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	5.630%
8. TOTAL (6 + 7)	11.630%
9. AVERAGE (50% OF 8)	5.815%
10. MONTHLY AVERAGE (9 / 12)	0.485%
11. INTEREST PROVISION (5 X 10)	341.00
12. TOTAL (3 + 11)	73,798.88
13. RECOGNIZE COMPANY SHARE	
14. BALANCE TO APPLY INTEREST	$73,798.88

43

FLORIDA DIVISION
INTEREST ON FLEX RATES /REFUNDING ACCOUNT
NOVEMBER 1, 1999 - OCTOBER 31, 2000
ACCOUNT 24281

	DECEMBER 99
FLEX RATES	
1. BEGINNING BALANCE IN 2428 - LIAB. INCLUDING INTEREST	5,046.04
2. CURRENT MONTH SURPLUS (DEFICIT) OF FLEX REVENUE	(4,059.19)
3. ENDING BALANCE IN 2428 - BEFORE INTEREST	986.85
4. TOTAL (1 + 3)	6,032.88
5. AVERAGE BALANCE (50% OF 4)	3,016.44
6. INTEREST RATE - FIRST DAY OF MONTH	6.000%
7. INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	5.630%
8. TOTAL (6 + 7)	11.630%
9. AVERAGE (50% OF 8)	5.815%
10. MONTHLY AVERAGE (9 / 12)	0.485%
11. INTEREST PROVISION (5 X 10)	15.00
12. TOTAL (3 + 11)	1,001.85

IF YOU PROVIDED DAMAGE-ELIGIBLE MINUTES OF USE TO CUSTOMERS DURING SOME PORTION OF THE PERIOD DESCRIBED ABOVE, YOUR RIGHTS WILL BE AFFECTED AND YOU MAY BE ENTITLED TO MONEY. If you have not yet received the Notice of Preliminary Certification of Settlement Class, Proposed Settlement Hearing, Right to Appear, and Requirements for Filing Proof of Claim and Release which more fully describes the Settlement and your rights hereunder, you may obtain copies thereof by writing to Notice Department at the address of the Claims Administrator listed below.

Plaintiffs' Class Counsel
ROBB, PATTON & BELL, L.L.P.
[illegible]
[illegible] Pennsylvania Avenue, N.W.
[illegible]
Washington, D.C. 20004
[illegible]

If you are a Class Member and submit a Proof of Claim no later than March 10, 2000, you may be entitled to share in the Net Settlement Fund. IF YOU DO NOT SUBMIT A PROOF OF CLAIM BY THAT DATE, AND THE PROPOSED SETTLEMENT IS APPROVED BY THE COURT, YOU WILL NOT SHARE IN THE SETTLEMENT FUND. UNLESS YOU HAVE EXCLUDED YOURSELF FROM THE CLASS BY FEBRUARY 25, 2000, YOU WILL BE BOUND BY THE FINAL ORDER AND JUDGMENT OF THE COURT.

This is only a summary. You are referred to the pleadings, the Stipulation of Settlement, and other papers filed in the Action, which may be inspected at the United States District Court for the District of Columbia, located at U. Regent Pretrymen Courthouse, 333 Constitution Avenue, N.W., Washington, D.C. 20001, for a complete description of the Action and the proposed Settlement.

MONEY RATES

Thursday, December 30, 1999

The key U. S. and foreign annual interest rates below are a guide to general levels but don't always represent actual transactions.

PRIME RATE: 8.50% (effective 11/17/99). The base rate on corporate loans posted by at least 75% of the nation's 30 largest banks.

DISCOUNT RATE: 5.00% (effective 11/16/99). The charge on loans to depository institutions by the Federal Reserve Banks.

FEDERAL FUNDS: 7 % high, 3 1/4 % low, 6 1/4 % near closing bid, 6 1/2 % offered. Reserves traded among commercial banks for overnight use in amounts of $1 million or more. Source: Prebon Yamane(U.S.A) Inc. FOMC fed funds target rate 5.50% effective 11/16/99.

CALL MONEY: 7.25% (effective 11/17/99). The charge on loans to brokers on stock exchange collateral. Source: Reuters.

COMMERCIAL PAPER: placed directly by General Electric Capital Corp.: 5.52% 30 to 32 days; 5.52% 33 to 270 days.

EURO COMMERCIAL PAPER: Closed.

NONFINANCIAL COMMERCIAL PAPER: High-grade unsecured [illegible] by major corporations [illegible] 30 days.

[illegible] 5.31% one month; 5.42% [illegible] three months; 5.68% one [illegible] York Banks on amounts of [illegible] to prime banks.

[illegible] 5.75% one [illegible] 5.85% three months; [illegible] 6.10% - 6.00% five months; 6.10% - [illegible]

LONDON INTERBANK OFFERED RATES (LIBOR): 5.8229% one month; 5.89125% three months; 6.13125% six months; 6.3000% one year. British Bankers Association average of interbank offered rates for dollar deposits in the London market based on quotations of 16 major banks. Effective rate for contracts entered into two days from date appearing at top of this column.

EURO LIBOR: 3.17250% one month; 3.33875% three months; 3.51750% six months; 3.67813% one year. British Bankers Association average of interbank offered rates for euro deposits in the London market based on quotations of 16 major banks. Effective rate for contracts entered into two days from date appearing at top of this column.

EURO INTERBANK OFFERED RATES (EURIBOR): 3.171% one month; 3.339% three months; 3.519% six months; 3.678% one year. European Banking Federation-sponsored rate among 57 Euro zone banks.

FOREIGN PRIME RATES: Canada 6.50%; Germany 2.50%; Japan 1.375%; Switzerland 2.50%; Britain 5.50%. These rate indications aren't directly comparable; lending practices vary widely by location.

TREASURY BILLS: Results of the Monday, December 27, 1999, auction of short-term U.S. government bills, sold at a discount from face value in units of $1,000 to $1 million: 5.388% 13 weeks; 5.355% 26 weeks.

OVERNIGHT REPURCHASE RATE: 5.43%. Dealer financing rate for overnight sale and repurchase of Treasury securities. Source: Reuters.

FREDDIE MAC: Posted yields on 30-year mortgage commitments. Delivery within 30 days 8.12%, 60 days 8.17%, standard conventional fixed-rate mortgages: 5.875%, 2% rate capped one-year adjustable rate mortgages. Source: Reuters.

FANNIE MAE: Posted yields on 30 year mortgage commitment (priced at par) for delivery within 30 days 8.09%, 60 days 8.13%, standard conventional fixed-rate mortgages; 7.10%,6/2 1/2% rate capped one-year adjustable rate mortgages. Source: Reuters.

MERRILL LYNCH READY ASSETS TRUST: 5.25%. Annualized average rate of return after expenses for the past 30 days; not a forecast of future returns.

CONSUMER PRICE INDEX: November, 168.2, up 2.6% from a year ago. Bureau of Labor Statistics.

HIGH-YIELD BONDS

[illegible] December 30, 1999 [illegible]

Key Gainers

Name	Type/ Coup.	Mat.	3 PM Bid	Price Change	Principal Return	Yld.-Y
None						

Key Losers
None

Name	Type/Rating	Coup.	Mat.	3 PM Bid	Net Chg.	Yld.-Y
AK Steel	a/BB	9.125	12/05	101 1/2	unch	8.34
Advantica	a/B	11.250	1/08	75	unch	17.08
American Std	a/BB-	7.375	2/08	91 1/2	unch	8.87
Chancellor	b/B	8.125	12/07	100	unch	8.12
Echostar	a/B	9.375	2/09	103 1/8	unch	9.34
Fed. Mogul	a/BB+	8.800	4/07	97 1/2	unch	9.28
Global Xing	a/BB	9.625	5/08	99 3/4	unch	9.67
HMH Prop.	a/BB	7.875	8/08	89 1/2	+ 1/2	9.71
Intermedia	a/B	8.600	6/08	91 1/2	unch	10.12
Level 3 Comm	a/B	9.125	5/08	94 1/8	unch	10.18
Nextel Comm	c/B	0.000	9/07	74	unch	10.98
Ocean Energy	b/BB-	8.875	7/07	99	unch	9.86
Qwest Comm	c/BB+	0.000	10/07	80 1/2	unch	8.78
Revlon	a/B-	8.125	2/06	75	unch	14.44
Stone	a/B	9.875	2/01	100 1/8	unch	7.87
Texet	b/BB-	8.125	12/08	93	unch	9.38
Trump AC	a/B	11.250	5/06	88	unch	16.44
US Air	a/B	9.625	2/01	97	unch	12.48
Vintage Pet	b/B+	8.625	2/09	95 1/2	unch	9.07

FEDERAL RESERVE DATA

MONETARY AGGREGATES
(daily average in billions)

	One week ended: Dec. 20	Dec. 13
Money supply (M1) sa	1131.9	1113.6
Money supply (M1) nsa	1144.3	1122.4
Money supply (M2) sa	4678.7	4642.2
Money supply (M2) nsa	4685.9	4671.1
Money supply (M3) sa	6496.8	6458.4
Money supply (M3) nsa	6511.2	6499.5
	Four weeks ended: Dec. 20	Nov. 22
Money supply (M1) sa	1114.1	1107.4
Money supply (M1) nsa	1128.6	1108.2
Money supply (M2) sa	4647.9	4621.8
Money supply (M2) nsa	4661.1	4617.9
Money supply (M3) sa	6468.8	6364.8
Money supply (M3) nsa	6488.4	6365.7
	Month Nov.	Oct.
Money supply (M1) sa	1108.6	1099.1
Money supply (M2) sa	4627.6	4606.4
Money supply (M3) sa	6396.7	6294.8

nsa-not seasonally adjusted, sa-seasonally adjusted.

MEMBER BANK RESERVE CHANGES

Changes in weekly averages of reserves and related items during the week and year ended December 29, 1999 were as follows (in millions of dollars)

Chg fm wk end	Dec. 29 1999	Dec. 22 1999	Dec. 30 1998
Reserve bank credit:			
U.S. Gov't securities:			
Bought outright	489,178	– 5,427	+ 34,979
Held under repurch agrs	....	....	– 11,000
Federal agency issues			
Bought outright	181	....	– 157
Held under repurch agrs	....	....	– 5,570
Acceptances			
Borrowings from Fed:			
Adjustment credit	361	+ 278	+ 16
Seasonal borrowings	78	– 2	+ 58
Extended credit	....	....	....
Float	620	+ 20	– 2,762

FROM: Lucy T. Swain - Depreciation

TO: Sam Merta, Bob Elias

RE: EXHIBITS NEEDED FOR DEPRECIATION FOR THE CHESAPEAKE RATE CASE

1) Deposition Transcript Geoffroy/Williams, Pages 5-31

2) Late-filed Deposition Exhibits 1-4, Geoffroy/Williams

3) Staff's Second Set of Interrogatories, Items 18 - 20

4) Staff's Third Set of Interrogatories, Item 32, 99

5) Staff's First Request for Production of Documents, Item 1

Sam - lead

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of	DOCKET NO. 000108-GU
REQUEST FOR RATE INCREASE BY FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION.	

****
* *
* ELECTRONIC VERSIONS OF THIS TRANSCRIPT *
* ARE A CONVENIENCE COPY ONLY AND ARE NOT *
* THE OFFICIAL TRANSCRIPT OF THE HEARING *
* AND DO NOT INCLUDE PREFILED TESTIMONY. *
* *
****

DEPOSITION OF: THOMAS A. GEOFFROY
and
JAMES A. WILLIAMS

TAKEN AT THE INSTANCE OF: The Staff of the Florida Public Service Commission

PLACE: Gerald L. Gunter Building
Room 362
2540 Shumard Oak Boulevard
Tallahassee, Florida

TIME: Commenced at 11:45 a.m.
Concluded at 2:55 p.m.

DATE: Friday, September 29, 2000

REPORTED BY: KORETTA E. STANFORD, RPR
Official FPSC Reporter
Division of Records & Reporting

APPEARANCES:

WAYNE L. SCHIEFELBEIN, Wiggins & Villacorta, P. A., Post Office Drawer 1657, 2145 Delta Boulevard, Tallahassee, Florida 32302, Appearing on behalf of 1776 K Street, NW, Washington D. C. 20006, appearing on behalf of Chesapeake Utilities Corporation.

WILLIAM COCHRAN KEATING, Florida Public Service Commission, Division of Legal Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870, appearing on behalf of the Commission Staff.

ALSO PRESENT:

LEE ROMIG, PAT LEE, LUCY SWAIN, NINA MERTA, PETER LESTER, et al., on behalf of the Commission Staff.

I N D E X

WITNESSES

NAME	PAGE NO.
THOMAS A. GEOFFROY and JAMES A. WILLIAMS	
Cross Examination by Mr. Keating	5

LATE-FILED EXHIBITS

NUMBER		ID
1	Schedules showing allocation changes.	17
2	Removal cost associated with abandonment of inactive service lines.	20
3	Basis for determining cost of removal and salvage for historical base year plus one projected test year.	24
4	Treatment by other jurisdictions, if any, of miscellaneous intangibles.	27
5	Breakdown of amounts, other trended, and rationale for trending by customer growth times inflation.	33
6	Account 916 amounts related to nonregulated or conservation piping.	35
7	Associations dues were paid to, amount of dues, and accounts dues are recorded in.	42
8	Audit work paper 43-5, explanation of line item expenses and how they relate to the regulated business.	47

LATE-FILED EXHIBITS (Continued)

NUMBER:		ID
9	Year 2000 revenues removed or added, depending on changes addressed in Mr. Householder's testimony.	50
10	Allocation of common plant, depreciation reserve, and depreciation expense (marked for ID).	54
11	Supporting work papers for equity ratio.	56
12	Confirm correctness of $465,899 amount.	57
13	13-month average for the test year for the propane capital investment.	63
	ERRATA SHEET	68
	CERTIFICATE OF OATH	69
	CERTIFICATE OF REPORTER	70

PROCEEDINGS

THOMAS A. GEOFFROY

JAMES A. WILLIAMS

were called as witnesses and, after being duly sworn, testified as follows:

CROSS EXAMINATION

BY MR. KEATING:

Q Good morning, Mr. Williams, Mr. Geoffroy. Could I get you individually to state your complete name and business address, for the record.

A (By Mr. Geoffroy) My name is Thomas A. Geoffroy. I'm the Assistant Vice President for the Florida Division of Chesapeake Utilities Corporation, P.O. Box 960, Winter Haven, Florida, 33882.

A (By Mr. Williams) My name is James A. Williams. I'm the Finance Manager for the Chesapeake Utilities Florida Division located at Post Office Box 960, Winter Haven, Florida.

Q Thank you.

A lot of the questions I have I'm not necessarily going to direct them to one or the other. So, whoever sees fit and whoever believes they're best capable of asking the question, please jump in. And for the benefit of the panel format, if one of you doesn't know, the other one, feel free to provide the answer.

The first questions I have refer to -- I'll need you to refer to the Staff's engineering report, if you have that available; if not, I have a copy I could hand to you.

A (By Mr. Geoffroy) I have it right here.

Q Specifically, page 7.

In reference to the Peace River Fruit Arcadia main, is it correct that that main is budgeted for service in October 2000?

A (By Mr. Geoffroy) Yes. It is budgeted for completion in October of 2000.

Q Is it still on target for completion in October?

A No. That is scheduled for completion in November of 2000. It is currently a work in progress, as we speak. Our contractors are laying pipe. We have all permits in hand. We have acquired all necessary land rights to be able to provide service to the Peace River Fruit facility, but it looks like it will be delayed to be in service in November of 2000.

Q And looking at the MFRs Bate-stamped page 200. Looking at the monthly plant additions account 376 new mains. Do you see that line?

A Yes.

Q Okay. Why don't we see an amount for the Peace River Fruit Arcadia main in the MFRs in November -- I'm

sorry, in October?

A (By Mr. Williams) I believe that that was in November. We actually had that plant in November, and we show we also did some construction work or aide to construction work in November that maps that out. I think that's also in one of the interrogatories, if you'll let me look for just a second.

Well, let's see, I do know that that is one of the questions that's answered in the interrogatories. I just need to find the right one.

A (By Mr. Geoffroy) If I may, the engineering report reflects, on page 7, some aide of construction received from the Appalachia Correctional Institute in the amount of $550,000 and from the Holmes Correctional Institution in the amount of $205,000, which generally nets against us the Peace River amount and makes it a negative amount.

Q Would that contributed amount be received in the same month?

A I'm not sure. I have to check.

A (By Mr. Williams) Let's say the plant's completed in October or November, if it's completed and then actually closed out, you know, whether it's closed out in October, closed out in November, most likely, I think, what we've done there is shown that the plant

closed down in November and that when that contribution comes in, it nets those out.

And, I believe, that's the answer in our interrogatory as well, but I just can't put my finger on it right this second which one that was.

MR. SCHIEFELBEIN: May we go off the record?

(Discussion off the record.)

MR. KEATING: Yes.

MR. SCHIEFELBEIN: Do you want to read back the ending question?

MR. KEATING: Yes. Could you read back the last question.

(Question read by reporter.)

BY MR. KEATING:

Q I believe, we were referring to, again, the amounts on page 7 of the engineering report, 550,000 for the Appalachia Correctional main and 205,000 for the Holmes Correctional main.

I'll go back to the previous question, I believe, which was why we don't see the $671,686 for the Peace River Fruit Arcadia main in the MFRs as being added and the date that it would be placed in service.

A (By Mr. Williams) Right. I'm not -- without doing further research, I can't answer specifically how that $671,000 hits those accounts.

that $671,000 hits those accounts.

Q Can we get a late-filed deposition exhibit that would indicate how that amount is reflected in the MFRs?

A (By Mr. Geoffroy) Sure.

MR. SCHIEFELBEIN: Identify that as Late-filed Exhibit Number 1.

MR. KEATING: Late-filed Exhibit Number 1. And we'll call that allocation of Peace River Fruit Arcadia main.

BY MR. KEATING:

Q Would you agree that depreciation begins when the main is placed in service, rather than when it begins construction?

A (By Mr. Williams) Yes.

Q Referring, again, back to page 7 of the engineering report, in regard to the Appalachia Correctional project, when is that project estimated to be completed?

A (By Mr. Geoffroy) That project is also currently under construction and is estimated to be completed at this time in November of 2000.

Q And did the main for the Holmes Correctional Institute that's referenced on page 7 of the engineering report go into service August 2000 as budgeted?

A It did not. It is also under construction and

will be in service in October of 2000.

Q Referring to page 8 of the engineering report, reference to a standard sand 6-inch steel main pipeline project, was that project completed at the end of July 2000?

A No, it was not.

Q When was that project completed?

A It is also currently under construction and will be placed in service in October of 2000.

Q Has the $500,000 cost of that project been reflected in your monthly additions for the historical base year plus one?

A (By Mr. Williams) Not at this time, it is not complete.

A (By Mr. Geoffroy) Are you referring to the MFRs?

Q Yes.

A I think, the answer to that is yes, that amount is a proportion of the 2 million and 2,079 dollars.

Q How is that amount allocated over the months of that year?

A (By Mr. Williams) I think, the same answer would apply to the other one; without further research, we couldn't specifically identify what the amounts are and what months they --

MR. KEATING: Again, I'd ask for a late-filed exhibit showing that allocation.

MR. SCHIEFELBEIN: We're talking standard sand?

MR. KEATING: Standard sand, yes.

MR. SCHIEFELBEIN: We'll call that number 2?

MR. KEATING: Call that Late-filed Exhibit Number 2, allocation of standard sand project.

BY MR. KEATING:

Q All right. Moving further down page 8 referring, specifically, to the Cypress Gardens Boulevard main replacement. When did construction on that replacement project begin?

A (By Mr. Geoffroy) That project began earlier this year in 2000. I do not know the specific month in which it began, but it has been ongoing now for several months.

Q Does the $90,000 shown in the engineering report for that project represent the entire cost of the project or just the 50% portion that's been completed?

A (By Mr. Williams) I'm not -- I believe -- well, I'm not sure.

A (By Mr. Geoffroy) The answer to that is that that's the entire cost of that project.

A (By Mr. Williams) That's all allocated in one year?

A (By Mr. Geoffroy) Yes, that is. Our work will be completed this year.

Q Okay.

A (By Mr. Geoffroy) The road itself will not, but our relocation work to move our facilities out of the way so they can widen that road will be completed this year.

Q When will the main go into service?

A Portions of that main are in service. They phased this project so that they do a certain section; utilities move their facilities out of the way, goes back into service, they move to a different section, so you see the completion of that occurring in various times during the year.

Q Is the entire project expected to be completed this year?

A Yes. One of the items that the utility has to take into consideration is as you're moving to fit your facilities, you have to continue to provide service to your customers. That is why you see these spread out during the year, because when you put in -- a lot of times you're putting in a new piece of pipe and tying it into an existing system, and then you abandon the old piece of pipe that had to be relocated. So, you physically have a retirement associated with the new addition, but continuous service to the customers is maintained during

that process.

Q Is it correct that the $90,000 for the project was allocated over April, May, and June of 2000 in the MFRs?

A I believe, the answer to that is yes.

Q To follow-up on that, why was the $90,000 allocated over that period?

A At the time we prepared the MFRs, that was our best estimate as to when it would be completed.

Q What is the estimated completion date now?

A The estimated completion date would occur in December for the last phase of the project.

Q Would you do a similar allocation over a three-month period based on the December date?

A Well, I think, we actually would have put new pipe in service and reflected it on the books in the month that it went into service. I cannot tell you what months those were or are without further research.

MR. KEATING: I think, I'll be asking if we can get a late-filed deposition exhibit to show, I guess, the period over which it would be allocated.

MR. SCHIEFELBEIN: That would be Late-filed Exhibit Number 3.

MR. KEATING: Yes, allocation of Cypress Gardens Boulevard project.

BY MR. KEATING:

Q Under what circumstances would Chesapeake be reimbursed for a relocation?

A (By Mr. Geoffroy) To my knowledge, there are no circumstances that would lead to reimbursement of a relocation of this type. What happens is, as being a public utility, we have the right to be within public right of way without charge when we initially put it in. But on the back end, what happens is if you have to move it, you do so at your own cost.

Q Still on page 8 of the engineering report, on line 4, referring to the -- I guess, that's State Route 60 or SR 60 --

A Correct.

Q -- Citrosuco, a 4-inch plastic main pipeline, it's under mains for re-enforcement. When did this main begin providing service?

A This 4-inch plastic main pipeline?

Q Yes.

A I don't know the answer to that. I know it is in service, but I don't know what month it was completed.

MR. KEATING: Can we ask for a Late-filed Deposition Exhibit Number 4, completion date for SR 60 Citrosuco 4-inch plastic main pipeline.

BY MR. KEATING:

Q Again, this follow-up question is how the cost of that project has been reflected in the MFRs in the historical base year plus one additions?

A (By Mr. Geoffroy) It would appear that that was reflected in the months of February, March, and April, but we would have to research that to make sure that the MFRs reflect that.

MR. KEATING: And that would be verified as part of the late-filed number 4?

MR. SCHIEFELBEIN: Yes, sir.

BY MR. KEATING:

Q I want to refer you to a response from Staff's first set of interrogatories. I want to make sure I have that available for you. I believe, that's Interrogatory Number 6.

MR. SCHIEFELBEIN: 6-B?

BY MR. KEATING:

Q 6-B Interrogatory, if you'd like to take a minute to look at that.

MR. SCHIEFELBEIN: Are you intending also to be drawing our attention to Interrogatory Number 12?

Can we go off the record?

MR. KEATING: In a later question.

MR. SCHIEFELBEIN: Okay.

MR. KEATING: We can go off the record though,

for a moment, to review this.

(Discussion off the record.)

MR. KEATING: Back on the record.

I think, we can avoid going through a long line of additional questions along the same lines of what we asked already in this deposition and ask, simply, if you could provide one late-filed deposition exhibit that will reflect changes in allocations based on actual in-service dates or currently --

MR. SCHIEFELBEIN: Would you go a little slower, please. Based on actual --

MR. KEATING: -- actual in-service dates or currently budgeted in-service dates --

MR. SCHIEFELBEIN: Bear with me. Yes, sir.

MR. KEATING: -- for the historical base year plus one and the projected test year. And, I believe, this is Schedule G in your MFRs, and these changes would be reflected on pages 185, 186, 187, 188, 200, and 226.

And that late-filed exhibit can supersede the four that we previously identified.

THE WITNESS: (By Mr. Geoffroy). Those page numbers again, please.

MR. KEATING: Would you like to take a minute to look over those pages? Let's go off the record.

(Discussion off the record.)

MR. SCHIEFELBEIN: Okay. We're back on the record, and the company has agreed to provide as Late-filed Exhibit 1 schedules that would show any changes in allocation based on actual in-service dates or currently projected in-service dates for the historical base year plus one and the projected test year for pages 185, 186, 187, 188, 200, 226, and 229. Do I have that right?

MR. KEATING: That's correct.

MR. SCHIEFELBEIN: And that would supersede all prior late-filed exhibit requests.

MR. KEATING: Yes.

MR. SCHIEFELBEIN: Thank you.

BY MR. KEATING:

Q I'm going to refer you to response provided by the company to Staff's second set of interrogatories, specifically, number 18. I think, we have an additional copy.

MR. SCHIEFELBEIN: Off the record.

MR. KEATING: Yes.

(Discussion off the record.)

MR. KEATING: Back on the record.

BY MR. KEATING:

Q You have a copy of the response to Interrogatory Number 18. If you'd like to take a minute to look it

over, just let me know when you're ready.

A (By Mr. Geoffroy) Right now we're looking at just 18?

Q Yes.

A Okay.

Q Is it correct that in that response, a description of Chesapeake's procedure for service lines that have been inactive for five years or more is provided?

A (By Mr. Williams) What was that?

Q Is it correct that in this response, Chesapeake has provided a description of its procedures for service lines that have been inactive for five years or more?

A Yes.

Q And those procedures have included a requirement to abandon an inactive service line within six months of reaching the 60-month inactive date; is that correct?

A That's correct.

Q Turn to the last page of that handout, which refers to Chesapeake's response to Interrogatory Number 20 from the Staff. Three service lines have been identified in that response as being inactive for five years or more as of December 1999; is that correct?

A Correct.

Q And two of these inactive service lines became

inactive in June of 1994, June 10th, 1994, correct?

A That's correct.

Q And the third became inactive June 11th, 1992.

A Correct.

Q Why were these three service lines not physically abandoned within six months of reaching their respective 60-month inactive dates pursuant to the company's policy?

A (By Mr. Williams) Do you know?

A (By Mr. Geoffroy) Yes. The company was unaware that these three had not been abandoned until we were looking at it as a response to these interrogatories. They are not in service anymore. They have been abandoned now.

Q When were those service lines abandoned?

A When did we respond to the -- within a week of the response to this interrogatory.

Q Do you know what the removal costs were associated with the abandonment?

A I do not know that without further research.

MR. KEATING: I would ask for a late-filed deposition exhibit, if you can provide that.

MR. SCHIEFELBEIN: Late-filed 2.

MR. KEATING: Late-filed Number 2.

MR. SCHIEFELBEIN: Removal cost?

MR. KEATING: Removal cost associated with abandonment of inactive service lines.

MR. SCHIEFELBEIN: And we're talking the three addressed by Interrogatory Number 20.

MR. KEATING: Yes, the inactive service lines referencing response to Interrogatory Number 20.

MR. SCHIEFELBEIN: Okay.

BY MR. KEATING:

Q I'm going to provide to you copies of what, I believe, is Chesapeake's response to Staff's first request for production of documents, request number one.

MR. SCHIEFELBEIN: Could you give us a moment?

MR. KEATING: Yes.

MR. SCHIEFELBEIN: Is there any particular part of this we should be looking at? It's shorter than I thought it was. I withdraw my comment.

MR. KEATING: Okay.

A (By Mr. Geoffroy) Okay.

BY MR. KEATING:

Q In that response regarding the development forecasted additions and retirements for the historical base year plus one in the projected test year, you've stated that the historical base year plus one retirements were projected to be the same as 1999 retirements, except for vehicles; is that correct?

A (By Mr. Williams) That's correct.

Q I believe, that's in the footnote. And you also state that the projected test year retirements are based on the historical base year plus one plus 10%, correct?

A That's correct.

Q What is the rationale for assuming the sand retirement dollars for historical base year plus one as incurred in the historical base -- historical test year?

A Well, we were, basically, just pushing it out a year, and we didn't think -- looking at the work we were doing, we didn't expect it to be all that many retirements, and we knew exactly how many vehicles we were going to retire next year.

And for the projected test year, there was no rocket science involved in this. We projected it would be in two years out from the 1999 actuals where we were putting a fair amount of pipe in the ground over the next couple of years. And, having that many more dollars in the ground, we thought we'd probably be taking -- probably it was just a guestimate, basically.

Q The 10%?

A Right, the 10%.

Q Would you agree that it would be reasonable in forecasting retirements to look at a ratio of how historical retirements, perhaps over the last five years,

have related to the plant investment subject to retirement during that same time and apply that ratio to the plant subject to retirement in historical base year plus one and the projected test year?

A That's certainly one way to do it.

A (By Mr. Geoffroy) May I add something?

Q Certainly.

A I agree with Mr. Williams, that's certainly one way to do it. But there are many ways to do it, all of which are equally probable of being accurate.

Q You're saying there would be several ways to do it, but --

A There's no guarantee that any one of them is going to be more accurate than the other.

Q Do you believe that it's the approach that I stated just a few minutes ago, which I'm not going to restate because it was somewhat lengthy, is more reasonable than just estimating?

A My response to that would be given our circumstances with the rapid growth that we're incurring, with the amount of infrastructure that is being impacted due to the growth in our area, that relying upon historical data to project future is no more reliable than saying that a 10% increase would be appropriate. The circumstances are current, and future circumstances are

much different than what has historically taken place on our system.

MR. SCHIEFELBEIN: May I have a moment?

MR. KEATING: Certainly. Can we go off the record?

(Discussion off the record.)

MR. KEATING: Back on the record.

A (By Mr. Geoffroy) As Mr. Williams said, there's no real rocket science to the 10%. However, the 10% is consistent with our customer growth that we are projecting for the projected test year. And therefore, that was consistent with how we have projected the retirements on our system.

BY MR. KEATING:

Q Okay. I have a question along the same lines with regard to cost of removal and salvage for the historical base year plus one projected test year. And this would be referring to your response to Staff's Interrogatory Number 12.

The first question about that response is how the cost of removal and salvage for the historical base year plus one and the projected test year was determined.

A (By Mr. Williams) That's a good question. I don't, specifically, remember how we calculated that cost for removal.

A (By Mr. Geoffroy) What is apparent is that the projected test year cost of removal is 10%, with the exception of the -- maybe there is -- yeah, it's 10% higher than the historic base year plus one.

A (By Mr. Williams) I would have to -- I remember working on this, and I don't specifically -- I'm sorry, I apologize. I don't, specifically, remember exactly how we calculated those numbers. I remember doing this, but I don't remember what we, specifically, based those numbers on, and I can certainly get that to you, but --

MR. KEATING: All right. If we could ask for a late-filed deposition exhibit. I believe we are on number 3. That would -- we could call that basis for determining cost of removal and salvage for historical base year plus one projected test year.

MR. SCHIEFELBEIN: As for the matters covered by Interrogatory Number 12.

MR. KEATING: Correct.

BY MR. KEATING:

Q And to follow-up, similar to the previous set of questions, would you agree that it would be a reasonable approach -- strike that.

I've got a few questions that refer to or relate to the amortization of miscellaneous intangibles and specifically looking at MFRs Schedule C, page 18.

A (By Mr. Geoffroy) Page 18 or Schedule C-18?

Q C-18. And, I believe, that's page 61 --

A Correct.

Q -- for the historical base year. And also, I believe, you've been handed your response to Staff's Interrogatory Number 99.

Correct me if I'm wrong, is it Chesapeake's position that the miscellaneous intangibles account represents the cost of its currently used billing system?

A (By Mr. Williams) That's correct.

Q And what is the amortization period for miscellaneous intangibles?

A It's 10 years.

Q Is there any Commission precedent that could be cited for approving a 10-year amortization period for miscellaneous intangibles?

A We do not have a specific authorization there. This represents software that was developed and, I think, you know, most software is amortized much more quickly than over a 10-year time frame. So, I think that certainly 10 years is more than reasonable. Most software is amortized over a 3 to 5-year period. So, I think that the amount of dollars there over that 10-year period is very reasonable.

To take that just a little further, in our rate

restructuring, et cetera, all those things, you know, that the plant accounts -- it was in the plant accounts at that time that was approved as part of that rate restructuring. So, I mean, at different points and time it has been reviewed and passably approved, I guess, but not specifically.

Q Are you aware if any of the other of Chesapeake's operating divisions, if they have approval for a similar amortization period for miscellaneous intangibles?

A No, I'm not specifically aware what the other operating divisions are using.

A (By Mr. Geoffroy) I'm aware that they have this software in their rate bases, respective rate bases, but I am not aware of what amortization period they have received in their jurisdictions for that software.

Q Is that information that could be provided or that you could provide as a late-filed deposition exhibit?

A (By Mr. Geoffroy) Assuming that it has specifically been addressed by the other --

Q Correct, yes.

A (By Mr. Geoffroy) We could, certainly. And if it hasn't, we would respond that it hasn't received any specific treatment.

MR. KEATING: Okay. That would be Late-filed

Deposition Exhibit Number 4. That would be treatment by other jurisdictions, if any, of miscellaneous intangibles, specifically the amortization period.

MR. SCHIEFELBEIN: And just so we're clear, it might be classified in another account in another jurisdiction. What you're really looking for here is just addressing the asset of the Utilicis software, however classified; is that fair?

MR. KEATING: Can we go off the record?

MR. SCHIEFELBEIN: Yeah, certainly.

(Discussion off the record.)

MR. SCHIEFELBEIN: Back on the record.

If I have this right, I think, we understand the question. You want to know the rate-making treatment, if any, that's been addressed by other Chesapeake jurisdictions regarding the Utilicis software --

MR. KEATING: Correct.

MR. SCHIEFELBEIN: -- however classified.

MR. KEATING: Yes.

MR. SCHIEFELBEIN: Thank you.

MR. KEATING: Thank you.

MR. SCHIEFELBEIN: Could I have just a moment?

MR. KEATING: Certainly.

MR. SCHIEFELBEIN: Just 60 seconds.

MR. KEATING: Okay.

MR. SCHIEFELBEIN: Thanks.

(Discussion off the record.)

MR. KEATING: We can go back on the record.

BY MR. KEATING:

Q I don't have copies of this particular interrogatory response, but can hand it to you and let you both take a look at it. It's the company's response to Staff's Interrogatory 6-B. I believe that response indicates that additions for the projected test year were allocated evenly over 12 months, except for accounts 391.01 and 391.02; is that correct?

A (By Mr. Williams) Right.

Q For account 391.01, the data processing equipment, I believe, the response date to the additions are allocated based on anticipated acquisition of specific equipment as projected by company staff, correct?

A Right.

Q What is the specific equipment that the company anticipates will be acquired in 2001?

A Without looking at the specific equipment list, the data processing, we had some equipment coming on at the same time as certain personnel were coming in. We estimate approximately about 5,000 per person for computer equipment. It may not be that high, but I believe we timed those when we thought, approximately, when people

were going to be hired or brought onboard that needed computer equipment. I know there's a couple -- I think there was also --

A (By Mr. Geoffroy) We probably need a minute.

MR. SCHIEFELBEIN: May we go off the record?

MR. KEATING: Yes.

(Discussion off the record.)

A (By Mr. Williams) Looking back at how these dollars are spaced out here --

MR. SCHIEFELBEIN: Did you mean to be on the record? That's fine, if you did.

THE WITNESS: (By Mr. Williams) Yes.

MR. SCHIEFELBEIN: Okay. Sorry, Jim.

A (By Mr. Williams) It looks to me like, based on these prices, got 1,500 in February, 1,500 in March, 2,500 in April and June, that those are probably replacements of specific laptops, because that's about what we paid for laptops is 1,500 bucks. And the 2,500 is probably a laptop, plus printer. And so, I would say that those are replacement items.

BY MR. KEATING:

Q So, the amount shown on page 203, the MFRs and data processing equipment account for certain months, those would be -- they're shown in the month that the equipment would be purchased?

A (By Mr. Williams) Right, that's correct.
Q That's correct?
A (By Mr. Geoffroy) We project that it would be purchased in the future.
Q And is that based on when you would bring on the new employees that would require that equipment?
A (By Mr. Williams) No. I'd say that these are -- since, you know, in looking at those dollar amounts, those are just replacement items.
A (By Mr. Geoffroy) The company is operating itself in its computer literacy. And a lot of the equipment that we use is obsolete equipment that is being upgraded to modern technology so we can be networked together and talk together and common software will be used. And this is the part of that program to do that for the company.
Q Just so I understand, is there a particular reason why those expenses are -- those amounts are allocated in the certain months that they are listed in on page 203, certain amount for February, March, April, June, August and October?
A It is simply our best estimate as to when those expenses would occur.
MR. KEATING: If we could take about a 5-minute break.

(Recess taken.)

MR. KEATING: Back on the record.

BY MR. KEATING:

Q I've got a few questions referring to the trend basis used by the company to trend its expense accounts, payroll, and questions regarding the trend basis used by the company to trend its expense accounts. I'm referring, specifically, to pages 216 to 225 in the MFRs. And, I believe, you've been given copies of -- you've been provided copies of some specific pages.

First account among those that I'd like to look at is 901, account number 901, Supervision, provides an amount of $9,794. Other trended, let's justify what amounts are included in the $9,794, what that's comprised of.

A (By Mr. Williams) I am unable to answer that, specifically. I just don't have that information to be able to say what, specifically, is included in that $9,794.

Q Okay. If that's something that could be provided in a late-filed exhibit, we would like that. I think, I'll go through some of these others, and if the response is the same, that's something you want to look at, perhaps we can include that in one exhibit.

A Yeah, I think that that's something that we'll

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for rate increase by Florida Division of Chesapeake Utilities Corporation

Docket No. 000108-GU

NOTICE OF SERVICE OF FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION'S RESPONSES TO STAFF'S REQUEST FOR LATE-FILED DEPOSITION EXHIBITS NOS. 1-9 and 11-13 (GEOFFROY/WILLIAMS)

The Florida Division of Chesapeake Utilities Corporation, by and through its undersigned counsel, hereby files and serves Notice that it has served its Responses to Staff's Request for Late-filed deposition exhibits nos. 1-9 and 11-13 (Geoffroy-Williams) by hand-delivery on W. Cochran Keating, IV, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, on the 6th day of October, 2000.

Wayne L. Schiefelbein
P.O. Box 15856
Tallahassee, FL 32317-5856
(850) 422-1013
(850) 531-0011 (fax)

Attorney for the Florida Division of Chesapeake Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been furnished by hand-delivery to W. Cochran Keating, IV, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, on the 6th day of October, 2000.

Wayne L. Schiefelbein

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 1
GEOFFROY/WILLIAMS DEPOSITION

CHANGES IN ALLOCATIONS BASED ON ACTUAL IN-SERVICE DATES OR CURRENTLY PROJECTED IN-SERVICE DATES FOR HISTORIC BASE YEAR + 1 AND PROJECTED TEST YEAR

Please see attached G Schedules that reflect the changes to original pages 185, 186, 187, 188, 200, 226 and 229.

SCHEDULE G-1

CALCULATION OF THE PROJECTED TEST YEAR RATE BASE

PAGE 9 OF 26

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE UTILITY PLANT FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

ESTIMATED PLANT BALANCES FOR THE YEAR ENDING 12/31/00

LINE NO.	A/C NO.	DESCRIPTION	BEGINNING BALANCE	JAN 2000	FEB 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEP 2000	OCT 2000	NOV 2000	DEC 2000	13 MONTH AVERAGE
1	301	ORGANIZATION	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328
2	302	FRANCHISES AND CONSENTS	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	$14,124
3	303	MISC INTANGIBLE PLANT	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	$1,002,816
4	374.01	LAND	28,835	28,748	28,748	28,748	28,748	28,748	28,748	28,748	28,748	28,748	28,748	28,748	28,748	$28,736
5	374.02	LAND RIGHTS	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
6	375	STRUCTURES & IMPROVEMENT	233,056	233,056	233,056	233,056	233,056	233,056	253,915	253,915	253,915	253,915	253,915	253,915	253,915	$244,286
7	376	MAINS (STEEL)	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	$10,444,401
8	376	MAINS (PLASTIC)	4,000,202	4,462,507	4,552,247	5,909,041	6,029,239	6,087,968	6,340,828	6,968,166	7,195,572	7,208,992	7,911,456	8,583,142	8,977,014	$6,484,196
9	377	COMPRESSOR STAT EQUIP	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
10	378	MEAS & REG STAT EQUIP-GEN	574,617	574,679	590,082	595,404	595,404	595,404	595,404	595,404	595,404	963,606	982,208	997,197	605,599	$593,125
11	379	MEAS & REG STAT EQUIP-GEN	1,096,891	1,117,923	1,117,923	1,183,423	1,183,423	1,183,423	1,183,423	1,183,423	1,183,423	1,183,423	1,183,423	1,402,423	1,459,199	$1,204,749
12	380	SERVICES (STEEL)	1,064,837	1,064,837	1,064,837	1,064,837	1,064,837	1,064,837	1,064,837	1,064,837	1,064,837	1,064,837	1,064,837	1,064,837	1,064,837	$1,064,837
13	380	SERVICES (PLASTIC)	1,940,782	1,970,815	2,022,702	2,081,628	2,109,700	2,154,736	2,181,878	2,220,993	2,281,511	2,334,046	2,391,530	2,460,056	2,502,562	$2,204,082
14	381	METERS	1,053,519	1,053,519	1,058,099	1,058,099	1,063,213	1,063,213	1,063,213	1,063,213	1,092,066	1,099,186	1,098,247	1,098,328	1,194,846	$1,078,056
15	382	METER INSTALLATIONS	672,486	692,366	712,394	730,065	748,856	771,516	791,635	816,023	831,641	850,337	868,832	887,329	905,823	$790,731
16	383	HOUSE REGULATORS	716,788	716,788	716,788	716,788	716,788	716,788	716,788	716,788	744,157	744,028	743,899	743,769	815,350	$732,719
17	384	HOUSE REG-INST	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
18	386	IND MEAS & REG STAT EQUIP	1,298,342	1,311,853	1,311,853	1,311,860	1,314,842	1,314,842	1,314,842	1,314,842	1,314,842	1,314,842	1,314,842	1,401,427	1,408,927	$1,323,866
19	386.00	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
20	386.01	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
21	386.02	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
22	386.03	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
23	387	OTHER EQUIPMENT	269,950	279,221	279,221	297,340	297,340	297,340	297,340	297,340	297,340	297,340	316,573	316,573	316,573	$296,653
24	389	LAND	90,285	90,285	90,285	90,285	90,285	90,285	90,285	90,285	90,285	90,285	90,285	90,285	90,285	$90,285
25	390.00	STRUCTURES AND IMPROVMNT	334,366	334,366	334,366	334,366	334,366	334,366	334,366	334,366	334,366	334,366	334,366	334,366	332,955	$334,276
26	390.02	LEASEHOLD IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
27	391.01	DATA PROCESSING EQUIPMENT	130,420	130,420	130,420	130,420	130,420	130,420	130,420	130,420	130,420	130,420	130,420	130,420	148,420	$131,574
28	391.02	OFFICE FURNITURE	85,961	85,961	85,961	85,961	85,961	85,961	101,562	101,562	101,562	101,562	101,562	101,562	126,562	$96,265
29	391.03	OFFICE EQUIPMENT	77,135	81,833	84,848	84,848	84,848	84,848	84,848	84,848	84,848	84,848	84,848	84,848	84,848	$83,781
30	391.04	VAX SYSTEM EQUIPMENT	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	$50,151
31	392.01	AUTO & TRUCKS-TO 12 TON	717,513	734,882	736,707	754,783	783,440	797,867	773,850	805,583	805,583	805,583	805,583	821,822	821,822	$781,876
32	392.02	TRUCKS OVER 1/2 TON	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	$119,139
33	392.03	AIRCRAFT	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
34	392.04	OTHER TRANSPORTATION	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
35	394	TOOLS, SHOP, GARAGE EQUP	77,215	77,215	77,215	83,561	83,561	83,561	83,561	83,561	83,561	83,561	83,561	83,561	86,861	$82,250
36	395	LABORATORY EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
37	396	POWER OPERATED EQUIPMENT	291,935	319,496	319,496	319,496	388,697	388,697	388,697	388,697	388,697	388,697	388,697	388,697	388,697	$365,288
38	397	COMMUNICATION EQUIPMENT	60,110	121,977	121,977	123,691	123,691	123,691	123,691	132,671	132,671	132,671	132,671	143,171	150,171	$124,635
39	398	MISC EQUIPMENT	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	48,083	$48,083
40		TOTAL PLANT IN SERVICE	$26,482,896	$27,192,087	$27,375,843	$28,837,142	$29,199,357	$29,340,808	$29,853,870	$30,408,299	$30,745,408	$30,886,104	$31,816,139	$32,713,134	$33,199,376	$29,816,783

SUPPORTING SCHEDULES: G-1 p.25-26, G-8 p.1

RECAP SCHEDULES: G-1 p.5

10/5/00
10:35 AM

SCHEDULE G-1

CALCULATION OF THE PROJECTED TEST YEAR RATE BASE

PAGE 10 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE UTILITY PLANT FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

ESTIMATED PLANT BALANCES FOR THE YEAR ENDING 12/31/01

LINE NO.	A/C NO.	DESCRIPTION	BEGINNING BALANCE	JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	13 MONTH AVERAGE
1	301	ORGANIZATION	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328	$23,328
2	302	FRANCHISES AND CONSENTS	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	$14,124
3	303	MISC INTANGIBLE PLANT	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	1,002,816	$1,002,816
4	374.01	LAND	28,748	28,748	28,748	28,748	28,748	28,748	28,748	28,748	28,748	28,748	28,748	28,748	28,748	$28,748
5	374.02	LAND RIGHTS	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
6	375	STRUCTURES & IMPROVEMENT	253,915	256,990	259,082	260,165	262,249	264,332	266,415	268,498	270,582	272,665	274,748	276,832	278,915	$266,415
7	376	MAINS (STEEL)	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	10,444,401	$10,444,401
8	376	MAINS (PLASTIC)	8,877,014	8,788,851	8,900,990	9,012,327	9,124,366	9,236,203	9,348,041	9,459,878	9,571,717	9,683,554	9,795,392	9,907,230	10,019,064	$9,348,041
9	377	COMPRESSOR STAT EQUIP	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
10	378	MEAS & REG STAT EQUP-GEN	606,599	609,180	612,760	616,341	619,922	623,502	627,083	630,664	634,244	637,825	641,406	644,986	648,569	$627,083
11	379	MEAS & REG STAT EQUP-GEN	1,460,189	1,460,022	1,460,856	1,461,689	1,462,522	1,463,356	1,464,189	1,465,022	1,465,855	1,466,689	1,467,522	1,468,356	1,469,189	$1,464,189
12	380	SERVICES (STEEL)	1,084,837	1,084,837	1,084,837	1,084,837	1,084,837	1,084,837	1,084,837	1,084,837	1,084,837	1,084,837	1,084,837	1,084,837	1,084,837	$1,084,837
13	380	SERVICES (PLASTIC)	2,502,562	2,554,611	2,606,631	2,658,650	2,710,670	2,762,689	2,814,709	2,866,728	2,918,748	2,970,767	3,022,787	3,074,806	3,126,825	$2,814,709
14	381	METERS	1,194,846	1,209,473	1,224,101	1,238,728	1,253,356	1,267,984	1,282,612	1,297,239	1,311,867	1,326,494	1,341,122	1,355,750	1,370,380	$1,283,613
15	382	METER INSTALLATIONS	906,823	928,436	951,053	973,668	996,283	1,018,898	1,041,513	1,064,128	1,086,743	1,109,358	1,131,973	1,154,588	1,177,203	$1,041,513
16	383	HOUSE REGULATORS	815,360	824,494	833,637	842,781	851,925	861,068	870,212	879,356	888,499	897,643	906,787	915,930	925,080	$870,213
17	384	HOUSE REG-INST	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
18	385	IND MEAS & REG STAT EQUP	1,408,827	1,415,177	1,421,427	1,427,677	1,433,927	1,440,177	1,446,427	1,452,677	1,458,927	1,465,177	1,471,427	1,477,677	1,483,927	$1,446,427
19	386.00	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
20	386.01	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
21	386.02	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
22	386.03	OTHER PROP ON CUST PREM	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
23	387	OTHER EQUIPMENT	315,573	317,657	319,740	321,823	323,907	325,990	328,073	330,157	332,240	334,323	336,407	338,490	340,575	$328,073
24	389	LAND	99,285	99,285	99,285	99,285	99,285	99,285	99,285	99,285	99,285	99,285	99,285	99,285	99,285	$99,285
25	390.00	STRUCTURES AND IMPROVMNT	332,955	332,955	332,955	332,955	332,955	332,955	332,955	332,956	332,956	332,956	332,956	332,955	331,391	$332,934
26	390.02	LEASEHOLD IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
27	391.01	DATA PROCESSING EQUIPMENT	145,420	145,420	146,920	148,420	150,920	150,920	153,420	153,420	155,920	155,920	156,420	156,420	156,420	$152,456
28	391.02	OFFICE FURNITURE	126,562	126,562	127,062	127,562	128,062	128,562	129,062	129,562	130,062	130,562	131,062	131,562	131,562	$129,062
29	391.03	OFFICE EQUIPMENT	84,848	84,848	84,848	84,848	84,848	84,848	84,848	84,848	84,848	84,848	84,848	84,848	84,848	$84,848
30	391.04	VAX SYSTEM EQUIPMENT	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	50,151	$50,151
31	392.01	AUTO & TRUCKS-TO 1/2 TON	821,822	837,489	853,156	868,822	850,487	831,289	822,871	838,336	854,005	869,671	885,336	901,005	916,671	$857,782
32	392.02	TRUCKS OVER 1/2 TON	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	119,139	$119,139
33	392.03	AIRCRAFT	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
34	392.04	OTHER TRANSPORTATION	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
35	394	TOOLS, SHOP, GARAGE EQUP	85,581	86,144	86,727	87,311	87,894	88,477	89,061	89,644	90,227	90,811	91,394	91,977	92,561	$89,061
36	395	LABORATORY EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
37	396	POWER OPERATED EQUIPMENT	398,697	382,447	396,197	399,947	403,697	407,447	411,197	414,947	418,697	422,447	426,197	429,947	433,697	$411,197
38	397	COMMUNICATION EQUIPMENT	156,171	153,504	156,838	160,171	163,504	166,838	170,171	173,504	176,838	180,171	183,504	186,838	190,171	$170,171
39	398	MISC EQUIPMENT	49,083	48,500	48,917	49,333	49,750	50,167	50,583	51,000	51,417	51,833	52,250	52,667	53,083	$50,583
40		TOTAL PLANT IN SERVICE	$33,166,375	$33,417,196	$33,668,023	$33,918,847	$34,156,680	$34,361,128	$34,576,870	$34,827,993	$35,079,818	$35,328,142	$35,580,967	$35,830,280	$36,077,547	$34,612,868

SUPPORTING SCHEDULES: G-1 p.26-28, G-6 p.1

RECAP SCHEDULES: G-1 p.7

10/5/00
10:35 AM

SCHEDULE G-1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

DEPRECIATION RESERVE BALANCES

EXPLANATION: PROVIDE THE DEPRECIATION RESERVE BALANCES FOR EACH ACCOUNT OR SUB-ACCOUNT TO WHICH AN INDIVIDUAL DEPRECIATION RATE IS APPLIED FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

LINE NO.	A/C NO.	DESCRIPTION	Depr Rates	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEP 2000	OCT 2000	NOV 2000	DEC 2000	13 MONTH AVERAGE
1	362	GAS HOLDERS	0.030	$504,710	$505,736	$506,762	$507,788	$508,814	$509,840	$510,866	$511,892	$512,918	$513,944	$514,970	$515,996	$517,022	$510,866
2	375	STRUCTURES & IMPROVEMENTS	0.030	44,701	45,283	45,866	46,448	47,031	47,614	48,223	48,857	49,492	50,127	50,762	51,397	52,031	$48,295
3	376	MAINS (STEEL)	0.032	4,116,285	4,144,137	4,171,988	4,199,840	4,227,692	4,255,544	4,283,396	4,311,247	4,339,099	4,366,950	4,394,802	4,422,654	4,450,506	$4,283,395
4	376	MAINS (PLASTIC)	0.036	574,620	588,962	600,106	615,219	632,491	650,181	668,278	687,716	708,402	729,494	751,829	775,683	800,856	$675,907
5	378	MEAS & REG STATION EQUIP-GEN	0.036	86,939	90,663	92,410	94,188	95,975	97,781	99,547	101,333	103,120	104,903	106,682	108,461	110,301	$99,562
6	379	MEAS & REG STAT EQ-CITY GATE	0.035	208,941	212,171	215,432	218,789	222,240	226,691	229,143	232,586	236,046	239,498	242,948	246,721	250,894	$229,316
7	380	SERVICES (STEEL)	0.051	456,007	460,532	465,057	469,581	474,106	478,631	483,155	487,680	492,205	496,730	501,254	505,778	510,304	$483,155
8	380	SERVICES (PLASTIC)	0.055	296,243	305,207	314,356	323,786	333,419	343,188	353,128	363,216	373,535	384,112	394,941	406,037	417,388	$354,504
9	381	METERS	0.045	424,794	428,744	432,704	436,672	440,649	444,636	448,623	452,610	456,651	460,743	464,829	468,906	473,162	$448,749
10	382	METER INSTALLATIONS	0.036	147,327	149,317	151,306	153,469	155,626	157,843	160,123	162,468	164,871	167,324	169,831	172,392	175,007	$160,536
11	383	HOUSE REGULATORS	0.036	202,800	204,951	207,101	209,251	211,402	213,552	215,702	217,852	220,044	222,278	224,606	226,739	229,078	$215,789
12	384	HOUSE REGULATORS INSTALL.	0.032	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
13	385	INDUSTRIAL M&R STAT. EQUIP.	0.040	245,876	250,156	254,528	258,900	263,275	267,660	272,043	276,426	280,809	285,192	289,574	294,102	298,785	$272,102
14	386	OTHER PROP ON CUST PREMISES	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
15	386.01	OTHER PROP-CUST PREM-A/C&B	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
16	386.02	OTHER PROP-CUST PREM-W HEAT	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
17	386.03	OTHER PROP-CUST PREM-SCH AP	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
18	387	OTHER EQUIPMENT	0.166	111,053	114,897	118,806	122,842	127,005	131,166	135,330	139,493	143,656	147,819	152,109	156,527	160,945	$135,512
19	389	LAND	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
20	390	STRUCTURES & IMPROVEMENTS	0.023	84,603	85,244	85,885	86,526	87,167	87,808	88,449	89,090	89,731	90,371	91,012	91,653	92,293	$88,448
21	391.01	DATA PROCESSING EQUIPMENT	0.143	47,412	48,966	50,520	52,074	53,629	55,183	56,737	58,291	59,845	61,399	62,954	64,508	66,151	$56,744
22	391.02	OFFICE FURNITURE	0.058	34,090	34,506	34,921	35,337	35,752	36,168	36,621	37,112	37,603	38,093	38,584	39,075	39,623	$36,730
23	391.03	OFFICE EQUIPMENT	0.094	28,518	29,141	29,762	30,434	31,099	31,764	32,428	33,093	33,758	34,422	35,087	35,751	36,416	$32,438
24	391.04	VAX SYSTEM EQUIPMENT	0.167	21,366	22,087	22,785	23,483	24,181	24,879	25,577	26,275	26,973	27,671	28,369	29,067	29,765	$25,577
25	392	AUTO & TRUCK	0.142	308,550	317,142	325,848	334,672	343,773	353,128	362,425	371,770	381,302	390,836	400,367	409,898	419,721	$363,041
26	392.03	OTHER TRANSPORTATION EQUIP	0.029	101,767	102,086	102,343	102,631	102,919	103,207	103,495	103,783	104,071	104,359	104,646	104,934	105,222	$103,495
27	393	STORES EQUIPMENT	0.040	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
28	394	TOOLS, SHOP, GARAGE EQUIP	0.053	25,857	26,198	26,539	26,894	27,263	27,632	28,001	28,370	28,739	29,108	29,477	29,846	30,220	$28,011
29	395	LABORATORY EQUIPMENT	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0	$0
30	396	POWER OPERATED EQUIPMENT	0.078	125,252	127,239	129,316	131,393	133,894	136,221	138,747	141,274	143,800	146,327	148,853	151,380	153,906	$139,031
31	397	COMMUNICATION EQUIPMENT	0.068	40,374	40,989	41,581	42,277	42,978	43,678	44,379	45,108	45,858	46,608	47,361	48,143	48,974	$44,477
32	398	MISC EQUIPMENT	0.074	13,124	13,421	13,717	14,014	14,310	14,607	14,903	15,200	15,497	15,793	16,090	16,386	16,683	$14,903
33		DEPRECIATION RESERVE		$8,253,232	$8,345,845	$8,438,724	$8,536,510	$8,638,479	$8,737,953	$8,839,317	$8,942,749	$9,048,023	$9,154,089	$9,261,842	$9,372,183	$9,485,273	$8,850,185
34	108.02	R.W.I.P		0	0	0	0	0	0	0	0	0	0	0	0	0	$0
35	108	TOTAL DEPRECIATION RESERVE		$8,253,232	$8,345,845	$8,438,724	$8,536,510	$8,638,479	$8,737,953	$8,839,317	$8,942,749	$9,048,023	$9,154,089	$9,261,842	$9,372,183	$9,485,273	$8,850,185

SUPPORTING SCHEDULES:

RECAP SCHEDULES: G-1 p.5

SCHEDULE G-1

DEPRECIATION RESERVE BALANCES

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

EXPLANATION: PROVIDE THE DEPRECIATION RESERVE BALANCES FOR EACH ACCOUNT OR SUB-ACCOUNT TO WHICH AN INDIVIDUAL DEPRECIATION RATE IS APPLIED FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN
PROJECTED TES YEAR: 12/31/01
WITNESS: WILLIAMS

LINE NO.	ACC NO.	DESCRIPTION	Depr Rates	DEC 2000	JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	13 MONTH AVERAGE
1	362	GAS HOLDERS	0.000	$517,022	$517,948	$518,874	$519,800	$520,726	$521,652	$522,578	$523,504	$524,430	$525,356	$526,282	$527,208	$528,134	$522,578
2	375	STRUCTURES & IMPROVEMENTS	0.030	$52,031	$52,669	$53,311	$53,959	$54,612	$55,270	$55,934	$56,602	$57,276	$57,955	$58,640	$59,329	$60,024	$55,970
3	376	MAINS (STEEL)	0.032	$4,450,508	4,478,357	4,506,209	4,534,061	4,561,913	4,589,764	4,617,616	4,645,468	4,673,320	4,701,171	4,729,023	4,756,875	4,784,726	$4,617,618
4	376	MAINS (PLASTIC)	0.036	$900,858	826,328	852,123	878,248	904,996	931,472	958,574	986,002	1,013,758	1,041,837	1,070,244	1,098,977	1,128,036	$960,857
5	378	MEAS & REG STATION EQUIP-GEN	0.036	$110,301	112,123	113,958	115,799	117,654	119,519	121,395	123,281	125,179	127,087	129,006	130,938	132,876	$121,470
6	379	MEAS & REG STAT EQ-CITY GATE	0.036	$250,894	256,151	259,410	263,673	267,937	272,204	276,473	280,745	285,019	289,296	293,575	297,856	302,140	$276,490
7	380	SERVICES (STEEL)	0.053	$510,304	516,006	519,706	524,410	529,112	533,814	538,517	543,219	547,921	552,623	557,325	562,027	566,729	$538,517
8	380	SERVICES (PLASTIC)	0.055	$417,386	428,978	440,804	452,870	465,175	477,718	490,499	503,519	516,778	530,274	544,010	557,983	572,195	$492,166
9	381	METERS	0.045	$473,182	477,690	482,253	486,871	491,544	496,271	501,053	505,891	510,783	515,730	520,731	525,788	530,900	$501,437
10	382	METER INSTALLATIONS	0.035	$176,007	177,662	180,423	183,230	186,103	189,041	192,046	195,117	198,254	201,456	204,725	208,059	211,460	$192,508
11	383	HOUSE REGULATORS	0.036	$229,078	231,538	234,025	236,540	239,082	241,651	244,248	246,873	249,524	252,204	254,910	257,644	260,406	$244,440
12	384	HOUSE REGULATORS INSTALL.	0.032	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
13	385	INDUSTRIAL M&R STAT. EQUIP.	0.040	$298,785	303,492	308,220	312,969	317,738	322,528	327,339	332,171	337,024	341,897	346,791	351,707	356,643	$327,485
14	386	OTHER PROP ON CUST PREMISES	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
15	386.01	OTHER PROP-CUST PREM-A/C&B	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
16	386.02	OTHER PROP-CUST PREM-W HEAT	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
17	386.03	OTHER PROP-CUST PREM-SCH AP	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
18	387	OTHER EQUIPMENT	0.168	$160,945	165,978	169,840	174,330,	178,951	183,400	187,978	192,586	197,223	201,888	206,584	211,308	216,061	$186,182
19	388	LAND	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
20	390	STRUCTURES & IMPROVEMENTS	0.023	$92,293	92,931	93,569	94,207	94,845	95,484	96,122	96,760	97,398	98,036	98,674	99,313	99,948	$96,122
21	391.01	DATA PROCESSING EQUIPMENT	0.143	$66,151	67,694	69,526	71,368	73,189	74,988	76,781	78,606	80,453	82,311	84,184	86,071	87,969	$76,889
22	391.02	OFFICE FURNITURE	0.058	$39,627	40,238	40,851	41,466	42,084	42,704	43,327	43,952	44,579	45,209	45,842	46,478	47,112	$43,344
23	391.03	OFFICE EQUIPMENT	0.094	$36,416	37,081	37,745	38,410	39,078	39,739	40,404	41,068	41,733	42,398	43,063	43,727	44,392	$40,404
24	391.04	VAX SYSTEM EQUIPMENT	0.167	$29,765	30,463	31,161	31,859	32,556	33,254	33,952	34,650	35,348	36,046	36,744	37,442	38,140	$33,952
25	392	AUTO & TRUCK	0.142	$419,721	429,538	439,541	449,729	459,902	469,853	479,639	489,466	499,479	509,679	520,061	530,631	541,386	$479,884
26	392.03	OTHER TRANSPORTATION EQUIP	0.029	$105,222	105,510	105,796	106,086	106,374	106,662	106,950	107,238	107,526	107,814	108,101	108,389	108,677	$106,950
27	393	STORES EQUIPMENT	0.040	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
28	394	TOOLS, SHOP, GARAGE EQUIP	0.053	$30,220	30,569	30,961	31,365	31,752	32,142	32,534	32,926	33,325	33,725	34,128	34,533	34,940	$32,562
29	395	LABORATORY EQUIPMENT	0.000	$0	0	0	0	0	0	0	0	0	0	0	0	0	$0
30	396	POWER OPERATED EQUIPMENT	0.078	$153,908	156,445	159,006	161,596	164,209	166,844	169,504	172,189	174,899	177,632	180,390	183,173	185,980	$169,675
31	397	COMMUNICATION EQUIPMENT	0.066	$48,974	49,834	50,714	51,612	52,529	53,465	54,420	55,393	56,386	57,398	58,428	59,477	60,546	$54,552
32	398	MISC EQUIPMENT	0.074	$16,683	16,980	17,281	17,584	17,889	18,197	18,508	18,821	19,137	19,456	19,778	20,100	20,426	$18,526
33		DEPRECIATION RESERVE		$9,485,278	$9,598,840	$9,715,431	$9,832,058	$9,948,825	$10,067,617	$10,186,382	$10,306,064	$10,426,750	$10,548,477	$10,671,237	$10,795,030	$10,918,857	$10,192,578
34	108.02	R.W.I.P		0	0	0	0	0	0	0	0	0	0	0	0	0	$0
35	108	TOTAL DEPRECIATION RESERVE		$9,485,278	$9,598,840	$9,715,431	$9,832,058	$9,948,825	$10,067,617	$10,186,382	$10,306,064	$10,426,750	$10,548,477	$10,671,237	$10,795,030	$10,918,857	$10,192,578

SUPPORTING SCHEDULES:

RECAP SCHEDULES: G-1 p.7

SCHEDULE G-1

MONTHLY PLANT ADDITIONS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE MONTHLY PLANT ADDITIONS BY ACCOUNT FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR + 1: 12/31/00
WITNESS: GEOFFROY

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	TOTAL
1	375	BUILDINGS & IMPROVEMENTS	0	0	0	0	0	20,859	0	0	0	0	0	0	20,859
2	376	MAINS - NEW	462,305	89,740	1,256,794	166,302	25,021	288,790	648,241	206,503	71,320	644,464	671,686	71,320	4,582,487
3	376	MAINS - REPLACEMENT	0	0	0	32,740	34,708	0	0	0	0	0	0	22,552	90,000
4	376	MAINS - REINFORCEMENT	0	0	0	20,156	0	0	0	0	0	0	0	0	20,156
5	378	M & R - GENERAL	61	15,414	5,312	0	0	0	0	0	0	0	16,587	0	37,374
6	379	M & R - CITY GATE	21,032	0	65,500	0	0	0	0	0	0	0	218,000	58,766	362,298
7	380	SERVICES - 1/2"	30,133	32,977	25,321	18,072	28,825	42,779	33,994	28,935	30,500	30,500	30,500	30,500	359,036
8	380	SERVICES - 1"	0	19,782	24,667	0	16,211	0	0	33,583	24,000	24,000	24,000	24,000	192,243
9	380	SERVICES - 2"	0	0	14,926	0	0	0	5,123	0	0	4,949	0	0	25,000
10	380	SERVICES - >2"	0	0	4,010	0	0	0	0	0	0	0	5,990	0	10,000
11	381	METERS - 275 & UNDER	0	4,580	0	5,114	0	0	0	28,873	0	0	0	34,933	73,500
12	381	METERS - OVER 275	0	0	0	0	0	0	0	0	0	0	0	75,804	75,804
13	381	OTHER METER DEVICES	0	0	0	0	0	0	0	0	0	0	0	0	0
14	382	METER INSTALLATIONS	19,871	20,028	17,661	16,801	22,660	20,119	24,386	15,819	20,000	20,000	20,000	20,000	239,346
15	383	REGULATORS - 1" & UNDER	0	0	0	0	0	0	0	27,389	0	0	0	6,211	33,600
16	383	REGULATORS - OVER 1"	0	0	0	0	0	0	0	0	0	0	0	65,500	65,500
17	385	M & R - INDUSTRIAL	55,311	0	36	3,152	0	0	0	0	0	0	86,686	7,500	152,685
18	387	OTHER EQUIPMENT	9,271	0	18,120	0	0	0	0	0	0	18,233	0	0	45,624
19	391.01	DATA PROCESSING EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	15,000	15,000
20	391.02	OFFICE FURNITURE	0	0	0	0	0	15,601	0	0	0	0	0	25,000	40,601
21	391.03	OFFICE EQUIPMENT	4,697	0	3,015	0	0	0	0	0	0	0	0	0	7,713
22	391.04	VAX SYSTEM EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
23	392	TRANSPORTATION EQUIPMENT	17,179	23,187	18,056	48,549	34,049	0	31,703	0	0	0	16,268	0	188,992
24	394	TOOLS, SHOP, & GARAGE EQUIPMEN	0	0	6,346	0	0	0	0	0	0	0	0	2,000	8,346
25	396	POWER OPERATED EQUIPMENT	27,562	0	0	69,201	0	0	0	0	0	0	0	0	96,763
26	397	COMMUNICATIONS EQUIPMENT	61,867	0	1,713	0	0	0	8,981	0	0	0	10,500	7,000	90,061
27	399	MISCELLANEOUS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
28	390	STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
29		TOTAL ADDITIONS	709,289	205,708	1,461,479	382,087	161,475	388,148	752,430	339,101	145,820	742,146	1,101,117	483,786	6,832,585

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SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-1 p.23

10/5/00
10:35 AM

SCHEDULE G-1

MONTHLY PLANT ADDITIONS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE MONTHLY PLANT ADDITIONS BY ACCOUNT FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: GEOFFROY

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	TOTAL
1	375	BUILDINGS & IMPROVEMENTS	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	25,000
2	376	MAINS - NEW	78,001	78,002	78,001	78,002	78,001	78,002	78,001	78,002	78,001	78,002	78,001	78,002	936,018
3	376	MAINS - REPLACEMENT	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,163	350,000
4	376	MAINS - REINFORCEMENT	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	70,000
5	378	M & R - GENERAL	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
6	379	M & R - CITY GATE	833	833	834	833	833	834	833	833	834	833	833	834	10,000
7	380	SERVICES - 1/2"	41,242	41,242	41,242	41,242	41,242	41,242	41,242	41,242	41,242	41,242	41,242	41,242	494,900
8	380	SERVICES - 1"	10,521	10,521	10,521	10,521	10,521	10,521	10,521	10,521	10,521	10,521	10,521	10,521	126,250
9	380	SERVICES - 2"	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000
10	380	SERVICES - >2"	833	833	833	833	833	833	833	833	833	833	833	833	10,000
11	381	METERS - 275 & UNDER	8,248	8,248	8,248	8,248	8,248	8,248	8,248	8,248	8,248	8,248	8,248	8,248	98,980
12	381	METERS - OVER 275	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000
13	381	OTHER METER DEVICES	833	833	833	833	833	833	833	833	833	833	833	833	10,000
14	382	METER INSTALLATIONS	23,167	23,167	23,167	23,167	23,167	23,167	23,167	23,167	23,167	23,167	23,167	23,163	278,000
15	383	REGULATORS - 1" & UNDER	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	3,733	44,800
16	383	REGULATORS - OVER 1"	5,458	5,458	5,458	5,458	5,458	5,458	5,458	5,458	5,458	5,458	5,458	5,458	65,500
17	385	M & R - INDUSTRIAL	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000
18	387	OTHER EQUIPMENT	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	25,000
19	391.01	DATA PROCESSING EQUIPMENT	0	1,500	1,500	2,500	0	2,500	0	2,500	0	2,500	0	0	13,000
20	391.02	OFFICE FURNITURE	0	500	500	500	500	500	500	500	500	500	500	0	5,000
21	391.03	OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
22	391.04	VAX SYSTEM EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
23	392	TRANSPORTATION EQUIPMENT	15,667	15,667	15,667	15,667	15,667	15,667	15,667	15,667	15,667	15,667	15,667	15,667	188,000
24	394	TOOLS, SHOP, & GARAGE EQUIPMEN	583	583	583	583	583	583	583	583	583	583	583	583	7,000
25	396	POWER OPERATED EQUIPMENT	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000
26	397	COMMUNICATIONS EQUIPMENT	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	40,000
27	398	MISCELLANEOUS EQUIPMENT	417	417	417	417	417	417	417	417	417	417	417	417	5,000
28	390	STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
29		TOTAL ADDITIONS	254,120	256,121	256,121	257,121	254,620	257,122	254,620	257,121	254,621	257,121	254,620	254,114	3,057,448

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SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-1 p.26

10/3/00
10:36 AM

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE MONTHLY PLANT RETIREMENTS BY ACCOUNT FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/01
WITNESS: GEOFFROY

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.: 000108-GU

LINE NO.	A/C NO.	DESCRIPTION	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	TOTAL
1	375	BUILDINGS & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
2	376	MAINS	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	13,968
3	378	M & R - GENERAL	586	586	586	586	586	586	586	586	586	586	586	585	7,031
4	379	M & R - CITY GATE	0	0	0	0	0	0	0	0	0	0	0	0	0
5	380	SERVICES	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,244	26,917
6	381	METERS	704	704	704	704	704	704	704	704	704	704	704	701	8,445
7	382	METER INSTALLATIONS	552	552	552	552	552	552	552	552	552	552	552	548	6,620
8	383	REGULATORS	48	48	48	48	48	48	48	48	48	48	48	42	570
9	385	M & R - INDUSTRIAL	0	0	0	0	0	0	0	0	0	0	0	0	0
10	387	OTHER EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
11	391	OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
12	392	TRANSPORTATION EQUIPMENT	0	0	0	33,992	34,876	24,284	0	0	0	0	0	0	93,151
13	394	TOOLS, SHOP, & GARAGE EQUIPMEN	0	0	0	0	0	0	0	0	0	0	0	0	0
14	396	POWER OPERATED EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
15	397	COMMUNICATIONS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
16	398	MISCELLANEOUS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
17	390	STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	1,574	1,574
18		TOTAL RETIREMENTS	5,297	5,297	5,297	39,289	40,172	29,581	5,297	5,297	5,297	5,297	5,297	6,858	158,276

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-1 p.26

10/5/00
10:36 AM

SCHEDULE G-2 | CALCULATION OF THE PROJECTED TEST YEAR - DEPR. & AMORT. | PAGE 20 OF 31

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: PROVIDE THE CALCULATION FOR DEPRECIATION AND AMORTIZATION EXPENSE FOR THE HISTORIC BASE YEAR + 1.

TYPE OF DATA SHOWN
HISTORIC BASE YR + 1: 12/31/00
WITNESS: WILLIAMS

ESTIMATED DEPRECIATION AND AMORTIZATION EXPENSE FOR THE YEAR ENDING 12/31/00

LINE NO.	A/C NO.	DESCRIPTION		Jan 2000	Feb 2000	Mar 2000	Apr 2000	May 2000	Jun 2000	Jul 2000	Aug 2000	Sep 2000	Oct 2000	Nov 2000	Dec 2000	TOTAL EXPENSE
1	362	GAS HOLDERS	0.000	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$71,112
2	375	STRUCTURES & IMPROVEMENTS	0.030	583	583	583	583	583	609	635	635	635	635	635	635	7,331
3	376	MAINS (STEEL)	0.032	27,652	27,652	27,652	27,652	27,652	27,652	27,652	27,652	27,652	27,652	27,652	27,652	334,221
4	376	MAINS (PLASTIC)	0.035	12,341	13,147	15,110	17,269	17,668	16,125	19,440	20,686	21,091	22,135	24,055	25,171	226,234
5	378	MEAS & REG STATION EQUIP-GEN	0.036	1,724	1,747	1,778	1,786	1,786	1,786	1,786	1,786	1,784	1,779	1,799	1,819	21,362
6	379	MEAS & REG STAT EQ-CITY GATE	0.035	3,230	3,261	3,356	3,452	3,452	3,452	3,452	3,452	3,452	3,452	3,771	4,173	41,952
7	380	SERVICES (STEEL)	0.053	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	54,296
8	380	SERVICES (PLASTIC)	0.055	8,964	9,152	9,429	9,628	9,773	9,938	10,090	10,316	10,577	10,829	11,095	11,350	121,144
9	381	METERS	0.045	3,951	3,959	3,968	3,977	3,987	3,987	3,987	4,041	4,092	4,065	4,077	4,277	48,368
10	382	METER INSTALLATIONS	0.035	1,990	2,049	2,104	2,157	2,217	2,280	2,345	2,403	2,453	2,507	2,561	2,615	27,680
11	383	HOUSE REGULATORS	0.036	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,191	2,232	2,232	2,232	2,339	26,278
12	384	HOUSE REGULATORS INSTALL.	0.032	0	0	0	0	0	0	0	0	0	0	0	0	0
13	385	INDUSTRIAL M&R STAT. EQUIP.	0.040	4,280	4,372	4,372	4,378	4,383	4,383	4,383	4,383	4,383	4,383	4,527	4,684	52,910
14	386	OTHER PROP ON CUST PREMISES	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
15	386.01	OTHER PROP-CUST PREM-A/C&B	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
16	386.02	OTHER PROP-CUST PREM-W HEAT	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
17	386.03	OTHER PROP-CUST PREM-SCH AP	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
18	387	OTHER EQUIPMENT	0.168	3,844	3,909	4,036	4,163	4,163	4,163	4,163	4,163	4,163	4,290	4,418	4,418	49,892
19	389	LAND	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
20	390	STRUCTURES & IMPROVEMENTS	0.023	641	641	641	641	641	641	641	641	641	641	641	640	7,690
21	391.01	DATA PROCESSING EQUIPMENT	0.143	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,844	18,739
22	391.02	OFFICE FURNITURE	0.058	415	415	415	415	415	453	491	491	491	491	491	551	5,536
23	391.03	OFFICE EQUIPMENT	0.094	623	641	653	665	665	665	665	665	665	665	665	685	7,898
24	391.04	VAX SYSTEM EQUIPMENT	0.167	698	698	698	698	698	698	698	698	698	698	698	698	8,375
25	392	AUTO & TRUCK	0.142	0	0	0	0	0	0	0	0	0	0	0	0	0
26	392.03	OTHER TRANSPORTATION EQUIP	0.029	288	288	288	288	288	288	288	288	288	288	288	288	3,455
27	393	STORES EQUIPMENT	0.040	0	0	0	0	0	0	0	0	0	0	0	0	0
28	394	TOOLS, SHOP, GARAGE EQUIP	0.053	341	341	355	369	369	369	369	369	369	369	369	373	4,363
29	396	LABORATORY EQUIPMENT	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
30	396	POWER OPERATED EQUIPMENT	0.078	1,967	2,077	2,077	2,302	2,527	2,527	2,527	2,527	2,527	2,527	2,527	2,527	28,654
31	397	COMMUNICATION EQUIPMENT	0.068	516	691	696	701	701	701	726	752	752	752	762	831	8,900
32	398	MISC EQUIPMENT	0.074	297	297	297	297	297	297	297	297	297	297	297	297	3,558
33		TOTAL DEPRECIATION EXPENSE		88,720	90,274	92,862	95,768	96,619	97,367	98,967	100,841	101,446	102,910	105,782	108,298	1,179,670
34		AMORTIZATION EXPENSE		11,279	11,279	11,279	11,279	11,279	11,279	11,279	11,279	11,279	11,279	11,323	8,449	132,580
35		TOTAL AMORT & DEPR EXPENSE		$99,999	$101,553	$104,141	$107,047	$107,898	$108,646	$110,266	$112,120	$112,725	$114,189	$117,105	$116,746	$1,312,231

SUPPORTING SCHEDULES: G-6 p.3

RECAP SCHEDULES: G-2 p.1, G-2 p.4

10/5/00
10:36 AM

SCHEDULE G-2

CALCULATION OF THE PROJECTED TEST YEAR - DEPR. & AMORT.

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP.

DOCKET NO.:000108-GU

EXPLANATION: PROVIDE THE CALCULATION FOR DEPRECIATION AND AMORTIZATION EXPENSE FOR THE PROJECTED TEST YEAR.

TYPE OF DATA SHOWN
PROJECTED TEST YEAR: 12/31/01
WITNESS: WILLIAMS

ESTIMATED DEPRECIATION AND AMORTIZATION EXPENSE FOR THE YEAR ENDING 12/31/01

LINE NO.	A/C NO.	DESCRIPTION		Jan 2001	Feb 2001	Mar 2001	Apr 2001	May 2001	Jun 2001	Jul 2001	Aug 2001	Sep 2001	Oct 2001	Nov 2001	Dec 2001	TOTAL EXPENSE
1	362	GAS HOLDERS	0.000	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$5,926	$71,112
2	375	STRUCTURES & IMPROVEMENTS	0.030	637	643	648	653	658	663	669	674	679	684	689	695	7,992
3	376	MAINS (STEEL)	0.032	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	27,852	334,221
4	376	MAINS (PLASTIC)	0.035	25,471	25,797	26,123	26,450	26,776	27,102	27,428	27,754	28,081	28,407	28,733	29,059	327,181
5	378	MEAS & REG STATION EQUIP-GEN	0.036	1,822	1,833	1,844	1,854	1,865	1,876	1,887	1,897	1,908	1,919	1,930	1,940	22,575
6	379	MEAS & REG STAT EQ-CITY GATE	0.035	4,257	4,260	4,262	4,264	4,267	4,269	4,272	4,274	4,277	4,279	4,281	4,284	51,247
7	380	SERVICES (STEEL)	0.053	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	4,702	56,426
8	380	SERVICES (PLASTIC)	0.055	11,589	11,828	12,066	12,305	12,543	12,782	13,020	13,258	13,497	13,735	13,974	14,212	154,809
9	381	METERS	0.045	4,508	4,563	4,618	4,673	4,728	4,782	4,837	4,892	4,947	5,002	5,057	5,111	57,718
10	382	METER INSTALLATIONS	0.035	2,675	2,741	2,807	2,873	2,939	3,005	3,071	3,137	3,203	3,269	3,335	3,401	36,453
11	383	HOUSE REGULATORS	0.036	2,460	2,487	2,515	2,542	2,569	2,597	2,624	2,652	2,679	2,707	2,734	2,762	31,328
12	384	HOUSE REGULATORS INSTALL.	0.032	0	0	0	0	0	0	0	0	0	0	0	0	0
13	385	INDUSTRIAL M&R STAT. EQUIP.	0.040	4,707	4,728	4,749	4,769	4,790	4,811	4,832	4,853	4,874	4,894	4,915	4,936	57,857
14	386	OTHER PROP ON CUST PREMISES	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
15	386.01	OTHER PROP-CUST PREM-A/C&B	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
16	386.02	OTHER PROP-CUST PREM-W HEAT	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
17	386.03	OTHER PROP-CUST PREM-SCH AP	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
18	387	OTHER EQUIPMENT	0.169	4,433	4,462	4,491	4,520	4,549	4,578	4,608	4,637	4,666	4,695	4,724	4,753	55,116
19	389	LAND	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
20	390	STRUCTURES & IMPROVEMENTS	0.023	636	636	636	636	636	636	636	636	636	636	636	637	7,656
21	391.01	DATA PROCESSING EQUIPMENT	0.143	1,733	1,742	1,760	1,784	1,798	1,813	1,828	1,843	1,858	1,873	1,888	1,888	21,808
22	391.02	OFFICE FURNITURE	0.058	612	613	615	618	620	623	625	627	630	632	635	636	7,486
23	391.03	OFFICE EQUIPMENT	0.094	665	665	665	665	665	665	665	665	665	665	665	665	7,976
24	391.04	VAX SYSTEM EQUIPMENT	0.167	698	698	698	698	698	698	698	698	698	698	698	698	8,375
25	392	AUTO & TRUCK	0.142	0	0	0	0	0	0	0	0	0	0	0	0	0
26	392.03	OTHER TRANSPORTATION EQUIP	0.029	288	288	288	288	288	288	288	288	288	288	288	288	3,455
27	393	STORES EQUIPMENT	0.040	0	0	0	0	0	0	0	0	0	0	0	0	0
28	394	TOOLS, SHOP, GARAGE EQUIP	0.053	379	382	384	387	389	392	395	397	400	402	405	408	4,720
29	395	LABORATORY EQUIPMENT	0.000	0	0	0	0	0	0	0	0	0	0	0	0	0
30	396	POWER OPERATED EQUIPMENT	0.078	2,539	2,563	2,587	2,612	2,636	2,661	2,685	2,709	2,734	2,758	2,782	2,807	32,073
31	397	COMMUNICATION EQUIPMENT	0.068	860	879	898	917	936	955	974	993	1,012	1,030	1,049	1,068	11,572
32	398	MISC EQUIPMENT	0.074	298	300	303	306	308	311	313	316	318	321	323	326	3,743
33		TOTAL DEPRECIATION EXPENSE		109,749	110,569	111,439	112,294	113,141	113,988	114,835	115,682	116,529	117,376	118,223	119,053	1,372,899
34		AMORTIZATION EXPENSE		8,449	8,449	8,449	8,449	8,449	8,449	8,449	8,449	8,449	8,449	8,449	8,449	101,385
35		TOTAL AMORT & DEPR EXPENSE		$118,198	$119,037	$119,887	$120,743	$121,590	$122,437	$123,284	$124,131	$124,978	$125,825	$126,672	$127,501	$1,474,284

SUPPORTING SCHEDULES: G-2 p.3

RECAP SCHEDULES: G-2 p.1, G-2 p.5

10/5/00
10:16 AM

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 2
GEOFFROY/WILLIAMS DEPOSITION

REMOVAL COST FOR THREE INACTIVE SERVICE LINES

The removal cost for the three service lines removed as described in Interrogatory 20 is $274.

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 3
GEOFFROY/WILLIAMS DEPOSITION

BASIS FOR DETERMINING COST OF REMOVAL & SALVAGE FOR HISTORIC BASE YEAR + 1 AND PROJECTED TEST YEAR

The removal cost and salvage values for the HBY + 1 is projected to be the same as in the Historic Base Year. The removal cost and salvage values for the Projected Test Year is projected to increase by 10% over the HBY + 1. This 10% corresponds to the 10% estimated customer growth in the Projected Test Year.

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 4
GEOFFROY/WILLIAMS DEPOSITION

TREATMENT OF UTILICIS BY OTHER JURISDICTIONS REGULATING CUC

Chesapeake Utilities Corporation has regulated operations in Delaware and Maryland that utilize the Utilicis software. The Delaware PSC has granted a 15-year amortization of the software costs. The Maryland PSC has granted a 10-year amortization period.

Attachment 18

STAFF'S SECOND SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (NOS. 18 - 20)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No.18

Please describe the company's procedures for service lines that have been inactive for 5 years or more.

Answer

(Williams)

The Florida Administrative Code 25-12.045 and the Company's Operation and Maintenance Procedure Manual, pages OM200-3 and OM200-4 requires that an inactive gas service line be abandoned at the end of 60 months of non-use. Abandonment must be completed within 6 months of reaching the 60-month inactive date.

1. A 60-month inactive service report is run every quarter. All services that are eligible for abandonment in that ninety-day period are shown.
2. The services are investigated to be sure the gas will no longer be required and then a construction order and an abandonment card are issued for all

services that are to be cut and capped in that time period.

3. After the procedure, the documentation is sorted and filed as required by the Public Service Commission.

Attachment 19

STAFF'S SECOND SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (NOS. 18 - 20)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No.19

Please identify the number of Chesapeake's service lines that have been inactive for 5 years or more.

Answer

(Williams)

As of 12/31/99 there were three (3) service lines that have been inactive for 5 years or more.

Attachment 20

STAFF'S SECOND SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (NOS. 18 - 20)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No.20

For each service line that has been inactive for 5 years or more, please provide the investment and associated reserve as of December 1998, and the date each service line became inactive.

Answer

(Williams)

As of December 1999, there were three (3) service lines that have been inactive for 5 years or more.

Date Service Line was Inactive	Date Installed	Investment	Associated Reserve
06/11/1992	1986	239.03	157.76
06/10/1994	1986	239.03	157.76
06/10/1994	1986	239.03	157.76
		$717.09	$473.28

Attachment 32

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 32

Please indicate whether any projected plant additions for 2000 and 2001 have been canceled or delayed. If your response is affirmative, please provide the amount and accounts of plant, accumulated depreciation expense included in 2001. Please show the amounts as filed and the revised amounts, if any.

Answer

(Geoffroy)

As is reflected in the Engineering Report dated July 21, 2000, all projected capital additions for the year 2000 have occurred as projected. The Company has not canceled or delayed any future, projected plant additions for 2000 or 2001.

Attachment 99

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 99

Referring to Schedule C-18 on page 61 of the MFRs, please respond to the following concerning Miscellaneous Intangibles:

a. Please provide a detailed description of the investments included in Miscellaneous Intangibles.

b. Please provide a breakdown of the investments in Miscellaneous Intangibles by year in which each investment was incurred.

c. Please identify the date when Chesapeake began amortization of Miscellaneous Intangibles.

Answer

(Williams)

a) The investment included in Miscellaneous Intangibles is the billing system (Utilicis) currently being used by the company.

b) The investment of $1,002,616 for the billing system Utilicis which is included in Miscellaneous Intangibles was placed in service in December 1995.

c) Chesapeake began amortization of Miscellaneous Intangibles in December 1995.

Attachment 1

STAFF'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (NOS. 1 – 14)
DOCKET NO. 000108-GU.

REQUEST FOR PRODUCTION OF DOCUMENTS

Request No. 1: Please provide all supporting documents showing the development of the forecasted additions and retirements for test base year + 1 and the projected test year.

Response No. 1: The supporting documents used in the development of the forecast are included in the attached responses to Document Requests 3-14. Attachment 1-A, provides additional information on the Company's retirements.

Attachment 1-A

STAFF'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (NOS. 1 – 14)
DOCKET NO. 000108-GU.

"Retirements, Actual 1999 – Projected 2000 and 2001".

Florida Division of Chesapeake Utilities Corp.
Retirements

Account	1999 Actual	HBY + 1	PTY
376 Plastic	739 feet	739 feet	813 feet
376 Steel	4,589 feet	4,589 feet	5,048 feet
378	1 M&R	1 M&R	1 M&R
380 Plastic	37 services	37 services	41 services
380 Steel	104 services	104 services	114 services
381	96 meters	96 meters	106 meters
382	144 metersets	144 metersets	158 metersets
383	48 regulators	48 regulators	53 regulators
390	1 sign	1 retirement unit	1 retirement unit
392	5 vehicles	3 vehicles	3 vehicles

Footnote:

Historic Base Year + 1 is projected to be similar to 1999 except for vehicles, which can be specifically identified.
Projected Test Year is based on HBY+1 plus ten (10) percent.

LEE'S CHESAPEAKE RATE CASE EXHIBITS, DOCKET NO. 000108-GU

1. Chesapeake's response to Staff's Third Set of Interrogatories No. 45

2. Data request to Lee Romig from Jim Williams - Chesapeake Utilities Corp. Self Insurance Reserve

3. Data Request to Sam Merta from Tom Geoffroy - Projected Rate Case Expense

4. Chesapeake's response to Staff's Third Set of Interrogatories No. 87

5. Chesapeake's response to Staff's Third Set of Interrogatories No. 68

6. Chesapeake's response to Issue No. 48

7. Chesapeake's response to Interrogatory No. 98

Attachment 45

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 45

Concerning Chesapeake's health insurance reserve, self insurance reserve, and pension and benefits reserve, please respond to the following:

a. Please explain Chesapeake's accounting for these reserves.

b. Please explain how each of these reserves functions.

c. Please provide a 5 year claims history for each of these reserves.

Answer

a. The Florida Division receives its share of health insurance, self-insurance, and pension reserves based on its percentage of actual claims to the total Corporate actual claims for the year.

b. The reserves function as a pool of funds to be drawn upon in the event any claims are charged against it.

c.

	Health Insurance	Self Insurance	Pension
1995	$187,996	$91	$33,126
1996	$190,631	$0	$60,892
1997	$292,838	$522	$62,572
1998	$203,076	$6,958	$41,473
1999	$238,596	$6,136	$82,710
	$1,113,137	$13,707	$280,773

1015 6th Street N. W.
Winter Haven, Florida 33881
863.293.2125
863.294.3895 / fax

CENTRAL FLORIDA GAS

Fax

To: Lee Romig From: Jim Williams

Fax: (850) 413-6423 Date:

Phone: Pages: (including Cover) 2

Re: CC:

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

•Comments:

ISSUE 22 Self Ins.

CHESAPEAKE UTILITIES CORP
RECLASS TO CURRENT SELF INSURANCE RESERVE
12/31/99

Date	Acct# 24244 Self Ins Balance	Acct# 2424 Self Ins Balance	Total Self Ins Balance	Yearly Change	Yearly Accrual	Charges, net of cash receipts	3 Year Average	Current Portion of Self Ins
31-Dec-99	1,523,391	49,000	1,572,391	99,694	121,000	(21,306)	(29,699)	30,000
31-Dec-98	1,406,697	64,000	1,472,697	86,622	121,000	(34,378)	(48,838)	49,000
31-Dec-97	1,322,075	64,000	1,386,075	87,587	121,000	(33,413)	(64,676)	64,000
31-Dec-96	1,201,488	97,000	1,298,488	42,276	121,000	(78,724)	(97,262)	97,000
31-Dec-95	1,179,212	77,000	1,256,212	39,109	121,000	(81,891)	(73,346)	77,000
31-Dec-94	1,167,103	50,000	1,217,103	(10,171)	121,000	(131,171)	(49,217)	50,000
31-Dec-93	1,227,274		1,227,274	114,019	121,000	(6,981)		
31-Dec-92	1,113,255		1,113,255	111,601	121,000	(9,499)		
31-Dec-91	1,001,754		1,001,754					

1015 6th Street N. W.
Winter Haven, Florida 33881
863.293.2125
863.294.3895 / fax

CENTRAL FLORIDA GAS

Fax

To: Sam Mehta From: Tom Geoffroy

Fax: 850-413-6428 Date: 10/11/00

Phone: Pages: (including Cover) 2

Re: CC:

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

•Comments:

Florida Division of Chesapeake Utilities Corporation
Docket No. 000108-GU
Projected Rate Case Expenses

	9/30/00 Actual	Unbilled	Projected	Projected Total	Filed in MFRs	Variance
Legal Expenses	$50,945	$13,753	$23,052	$87,750 *	$97,500	($9,750)
Cost of Capital	$18,187	$8,451	$8,000	$34,638	$41,000	($6,362)
Environmental	$5,248		$3,500	$8,748	$20,000	($11,252)
Cost of Service	$25,000		$0	$25,000	$25,000	$0
Forecasting, Citrus County	$79,738		$8,333	$88,071	$50,000	$38,071
Miscellaneous:						
Travel & Lodging	$991			$991		
Notices - Newspaper	$754			$754		
Postage	$12,141			$12,141		
Copying MFRs, etc.	$2,420			$2,420		
Miscellaneous	$1,501		$7,500	$9,001	$10,000	$15,307
Total	$196,925	$22,204	$50,385	$269,514	$243,500	$26,014

* Assumes approved stipulations on most issues.

Attachment 87

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 87

For the years 1996 – 1999, please provide a schedule showing for each year the bad debt accrual, write-off amount, recoveries, and residential/commercial revenues.

Answer

(Williams)

Please see Attachment 87-A.

FLORIDA DIVISION
144
PROVISION FOR UNCOLL.
1996

09/21/00

DATE	PROVISION	COLLECTIONS	WRITE-OFFS	OTHER	BALANCE PER GENERAL LEDGER
12/95					(38,489.18)
1/96	(3,547.00)	(861.20)			(42,897.38)
2/96	(3,154.72)	(253.94)	3,572.58		(42,733.46)
3/96	(3,416.15)	(15.42)	4,834.36		(41,330.67)
4/96	(2,980.65)	(28.68)	2,036.99		(42,303.01)
5/96	(2,604.50)	(197.58)	2,840.00		(42,265.09)
6/96	(2,264.88)	(317.77)	2,396.24		(42,451.50)
7/96	(2,251.05)	(306.16)	1,826.15		(43,182.56)
8/96	(2,032.99)	(58.10)	996.95		(44,276.70)
9/96	(1,766.46)	(142.66)	545.42		(45,640.40)
10/96	(2,081.29)	(2,784.42)	1,710.30		(48,795.81)
11/96	(2,650.11)	(210.88)	976.17		(50,680.63)
12/96	(2,783.87)	(83.64)	811.70		(52,736.24)
YTD	(31,533.47)	(5,260.45)	22,546.86	0.00	

BEG BAL PER UTILICIS	258,153.58	(1/96)
LESS COLLECTIONS	(5,260.45)	
ADD WRITE OFFS	22,546.86	
1995 adj. posted in 1996	(664.11)	
C/R NOT UPDATED ON LIS	1,083.75	(ALL-SUN FROM JAN AND FEB)
END BAL PER UTILICIS	275,859.63	

FLORIDA DIVISION
% BAD DEBT WRITE OFF / TOTAL SALES
1996

DATE	BAD DEBT WRITE OFF	OPERATING REVENUES	%
01/31/96	0.00	2,326,354	0.000%
02/29/96	3,572.58	2,077,944	0.172%
03/31/96	4,834.36	2,209,498	0.219%
04/30/96	2,036.99	1,976,102	0.103%
05/31/96	2,840.00	1,735,398	0.164%
06/30/96	2,396.24	1,459,456	0.164%
07/31/96	1,826.15	1,531,179	0.119%
08/31/96	999.06	1,369,348	0.073%
09/30/96	545.42	1,178,034	0.046%
10/31/96	1,710.30	1,392,122	0.123%
11/30/96	976.17	1,696,138	0.058%
12/31/96	811.70	1,852,626	0.044%
TOTAL:	22,548.97	20,804,199	0.108%

FLORIDA DIVISION
144
PROVISION FOR UNCOLL.
1997

09/21/00

DATE	PROVISION	COLLECTIONS	WRITE-OFFS	OTHER	BALANCE PER GENERAL LEDGER
12/96					(52,736.24)
1/97	(3,214.87)	(130.77)	3,042.17		(53,039.71)
2/97	(2,658.62)	(288.47)	3,850.29		(52,136.51)
3/97	(2,402.16)	(467.56)	3,560.31		(51,445.92)
4/97	(2,560.71)	(509.21)	6,649.92		(47,865.92)
5/97	(2,278.25)	(363.67)	3,447.47		(47,060.37)
6/97	(2,346.06)	(36.78)	9,675.63		(39,767.60)
7/97	(2,123.89)	(389.59)	2,952.19		(39,328.89)
8/97	(1,996.49)	(1,174.21)	4,007.53		(38,492.06)
9/97	(2,195.16)	(191.27)	1,942.84		(38,935.65)
10/97	(2,596.27)	(50.97)	2,984.11		(38,598.78)
11/97	(2,439.41)	(190.29)	1,572.45		(39,656.03)
12/97	(2,249.84)	(810.20)	0.00	(24,541.19)	(67,257.26)
YTD	(29,061.75)	(4,602.99)	43,684.91	(24,541.19)	

BEG BAL PER UTILICIS	275,859.63	(1/97)
LESS COLLECTIONS	(4,602.99)	
ADD WRITE OFFS	43,684.91	
END BAL PER UTILICIS	314,941.55	

110

FLORIDA DIVISION
% BAD DEBT WRITE OFF / TOTAL SALES
1997

DATE	BAD DEBT WRITE OFF	OPERATING REVENUES	%
01/31/97	0.00	2,132,047	0.000%
02/29/97	3,850.29	1,763,439	0.218%
03/31/97	3,560.31	1,558,101	0.229%
04/30/97	6,649.92	1,703,202	0.390%
05/31/97	3,447.47	1,510,707	0.228%
06/30/97	9,675.63	1,539,034	0.629%
07/31/97	2,952.19	1,515,969	0.195%
08/31/97	4,007.53	1,334,518	0.300%
09/30/97	1,942.84	1,455,007	0.134%
10/31/97	2,984.11	1,757,217	0.170%
11/30/97	1,572.45	1;602,522	0.098%
12/31/97	2,414.30	1,492,114	0.162%
TOTAL:	43,057.04	19,363,877	0.222%

FLORIDA DIVISION
144
PROVISION FOR UNCOLL.
1998

09/21/00

DATE	PROVISION	COLLECTIONS	WRITE-OFFS	OTHER	BALANCE PER GENERAL LEDGER
12/97					(67,257.26)
1/98	(2,397.93)	(659.78)	2,655.25	(2,414.30)	(70,274.02)
2/98	(1,974.45)	(170.80)	6,484.80		(65,934.47)
3/98	0.00	(594.08)	0.00		(66,528.55)
4/98	(4,636.83)	(161.78)	5,765.77		(65,561.39)
5/98	(1,808.58)	(96.10)	0.00		(67,466.07)
6/98	(1,948.21)	(785.44)	40,109.99		(30,109.73)
7/98	(1,829.77)	(66.60)	7,855.64		(24,170.46)
8/98	(1,667.69)	(121.51)	2,586.59		(23,393.07)
9/98	(1,573.35)	(36.23)	2,473.06		(22,529.59)
10/98	(1,739.81)	(72.75)	630.22		(23,711.73)
11/98	(1,844.88)	(148.27)	1,221.44		(24,483.44)
12/98	(2,040.80)	(677.66)	2,265.62	(6,355.00)	(33,291.48)
YTD	(23,482.10)	(3,831.20)	72,048.38	(10,769.30)	

BEG BAL PER UTILICIS	314,941.55	(1/98)
LESS COLLECTIONS	(3,831.20)	
ADD WRITE OFFS	72,810.29	
END BAL PER UTILICIS	383,920.64	

FLORIDA DIVISION
144
PROVISION FOR UNCOLL.
1999

09/21/00

DATE	PROVISION	COLLECTIONS	WRITE-OFFS	OTHER	BALANCE PER GENERAL LEDGER
12/98					(33,291.48)
01/99	(2,469.13)	(306.39)	3,482.38		(32,584.62)
02/99	(2,134.41)	(332.07)	2,028.29		(33,022.81)
03/99	(2,308.14)	(307.54)	481.01		(35,157.48)
04/99	(2,178.94)	(11.88)	6,208.07		(31,140.23)
05/99	(1,913.03)	(649.28)	3,445.40		(30,257.12)
06/99	(1,833.14)	(147.43)	1,712.36		(30,525.33)
07/99	(1,703.56)	(49.64)	3,071.10		(29,207.43)
08/99	(2,024.28)	(50.85)	1,413.14		(29,869.42)
09/99	(1,644.86)	0.00	1,799.73		(29,714.55)
10/99	(1,802.41)	(384.52)	622.10		(31,279.38)
11/99	(2,676.61)	(251.83)	794.27		(33,413.55)
12/99	(2,666.26)	(71.43)	2,223.41		(33,949.83)
YTD	(25,376.77)	(2,562.84)	27,281.26	0.00	

BEG BAL PER UTILICIS	383,920.64	1/99
LESS COLLECTIONS	(2,562.84)	
ADD WRITE OFFS	27,281.26	
END BAL PER UTILICIS	408,639.06	

113

FLORIDA DIVISION
% BAD DEBT WRITE OFF / TOTAL SALES
1999

DATE	BAD DEBT WRITE OFF	OPERATING REVENUES	%
01/99	3,482.38	1,726,321	0.202%
02/99	2,028.29	1,431,717	0.142%
03/99	481.01	1,563,886	0.031%
04/99	6,206.07	1,487,908	0.417%
05/99	3,445.40	1,293,065	0.266%
06/99	1,712.36	1,142,188	0.150%
07/99	3,071.10	1,112,955	0.276%
08/99	1,413.14	1,288,561	0.110%
09/99	1,799.73	1,092,782	0.165%
10/99	622.10	1,644,350	0.038%
11/99	794.27	1,448,288	0.055%
12/99	2,223.41	2,061,911	0.108%
TOTAL:	27,281.26	17,293,932	0.158%

Attachment 68

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 68

Please provide job descriptions for the positions referenced in Interrogatories 58, 60, 63, 65, 66, and 67, above. For each of these positions, please indicate whether a portion of the salaries and benefits for the positions will be allocated to any non-utility activities or recovered through any cost recovery clauses. If your response is affirmative, please provide the dollar amounts that would be allocated to non-utility activities or recovered through any cost recovery clauses.

Answer

(Williams)

Transportation Scheduler see Attachment 68-A. This position is 100% regulated.

Customer Project Coordinator see Attachment 68-B. This position is 75% regulated and 25% unregulated, resulting in $10,920 allocated to non-utility activities.

Sales Representative see Attachment 68-C. This position is 90% regulated and 10% unregulated, resulting in $6,300 allocated to non-utility activities.

Accountant I see Attachment 68-D. This position is 95% regulated and 5% unregulated, resulting in $2,557 allocated to non-utility activities.

Purchasing/Inventory Specialist see Attachment 68-E. This position is 75% regulated and 25% unregulated, resulting in $12,740 allocated to non-utility activities.

Rates and Regulatory Manager see Attachment 68-F. This position is 100% regulated.

CHESAPEAKE UTILITIES CORPORATION

JOB DESCRIPTION

TITLE: TRANSPORTATION SCHEDULER

REPORTS TO: MANAGER OF GAS UTILIZATION AND SUPPLY

MAJOR RESPONSIBILITIES: Smooth flow of natural gas from the source to our customers in a cost effective manner. Industrial gas bills and volumetric statements prepared in timely manner. Therm sales reports and supporting documents compiled. Monthly gas volume nominations submitted to the pipeline.

ESSENTIAL FUNCTIONS	TASKS
1. Load Distribution	a. Monitor gas distribution on Florida system. b. Inform transportation customers of weekly imbalance status.
2. Assist Gas Supply manager with industrial and transportation customer billing.	a. Compiles and evaluates data. b. Assure uniform billing.
3. Assist in preparing customer contracts, preparing budgets and revunue estimates, etc.	a. Compile weekly and monthly sales reports. b. Assist in preparing annual volume and revenue budgets. c. Assist in preparing therm sales.
4. Assist in arranging transportation of needed gas supply.	a. Assist in making purchase decisions. b. Assist in preparing mailing bid letters.
5. Assist Gas Supply manager in reviewing supplier invoices.	a. Assist in insuring accurate invoicing. b. Assist in reviewing and reconciling transportation imbalances and billing errors.

Central Florida Gas

JOB DESCRIPTION

TITLE: CUSTOMER PROJECT COORDINATOR

REPORTS TO: CUSTOMER SERVICES MANAGER

Major Responsibilities:

Initiate all activities associated with residential and small commercial customer installations. This includes new service installations, reactivates and unregulated services such as customer owned house-piping installations. Coordinate activities between various departments as they relate to completion of projects. Exhibit good customer and inter-company contact skills. Works proactively to ensure customer satisfaction. Possesses working knowledge and have ability to apply Company O&M and Codes and Standards including NFPA 54 policies.

ESSENTIAL FUNCTIONS	TASKS
1. Initiate and co-ordinate all activities required for new and reactivated residential and commercial service installations. Process requests for unregulated services from residential and small commercial customers.	A. Communicates well and solves problems effectively for customers, builders, and contractors. B. Ensure services are added to system in timely manner when received. C. Create orders for service construction and meter installations. D. Submit construction orders to Tech Services in a timely manner for service drawing and new service card to be created. E. Issue unregulated services orders, assign job codes and request appropriate construction permits when needed. F. Communicate closely with Outside Contractor Foreman to determine readiness for scheduling projects. G. Submit requests for line locates with Sunshine One Call. H. Forward jobs to the construction department for installation as needed to meet time limitations. I. Develop and maintain good relationships with builders,

ESSENTIAL FUNCTIONS	TASKS
	superintendents and code inspectors. J. Maintain all audit and historical records as required by PSC and CUC guidelines. K. Keep supervisor abreast of changes or amendments needed in daily procedures to ensure timely service installation and the promotion of gas appliances. L. Establish accounts in tracking database. M. Coordinate activities with service department for trims, meter sets and turn on's as appropriate.
2. Track status of unregulated services and when completed prepare and maintain unregulated billing statements.	A. Maintain contact with customers on status of current unregulated projects as needed. Update database with information. B. Prepare and assign to unregulated orders the pricing for unregulated jobs using approved price list or bid. C. Work closely with Customer Service to ensure proper billing of unregulated services.
3. Develop and maintain good relationship with internal departments, co-workers and existing and potential customers.	A. Ensure continuing positive relationships with customers and co-workers by using the "Choice" values daily. B. Establish and maintain protocols for communications and information flows related to residential and small commercial customer installations.

ESSENTIAL FUNCTIONS	TASKS
4. Co-ordinate housepiping for existing gas customers.	A. Be point of first contact for existing customers needing to add or replace housepiping. B. Create appropriate documentation for sales to use to do field inspection and housepiping request. C. Issue appropriate system orders and submit for permitting if required. D. Submit to construction for installation in an acceptable time frame. E. Assign appropriate house piping pricing to orders as agreed to by price listing or bid. F. Maintain all audit and historical records as required by CUC guidelines.
5. All other duties as assigned.	

EDUCATION: High school graduate or equivalent. Associates degree preferred.

LICENSES: Valid Florida Driver's License.

JOB KNOWLEDGE/SKILLS:
Good internal and external communication skills. Good clerical and math skills. Good working knowledge for the installation of regulated and unregulated services. Working knowledge of the policies, procedures, and regulations pertaining to the Company and industry. Must have knowledge of Industry Codes and Standards as they pertain to gas house piping and under ground gas service installation. Must possess strong computer skills, including MS Word, MS Excel, Access and other pertinent software.

RESPONSIBILITY FOR DIRECTION AND INSTRUCTION OF OTHERS: None

RESPONSIBILITY FOR SAFETY OF OTHERS: Familiar with O&M Safety Procedures, Industry Codes and Standards and NFPA54 as it relates to Company operations and the general public

PHYSICAL REQUIREMENTS: There are no physically demanding requirements for the position.

MENTAL REQUIREMENTS: Works well with deadlines. Requires a normal level of visual acuity; normal hearing ability required in order to transmit information in speaking and to receive instructions and information.

HAZARDS: Stress from frequent customer contact can be a factor.

SURROUNDINGS: Office environment. Possible field and construction site visits.

CHESAPEAKE UTILITIES CORPORATION

JOB DESCRIPTION

TITLE: SALES REPRESENTATIVE

REPORTS TO: MARKETING MANAGER

Major Responsibilities:

Ensure profitable company growth in both the propane and natural gas segments by promoting/selling advantages of gas applications.

ESSENTIAL FUNCTIONS	TASKS
1. Work with builders, developers, contractors, architects, engineers, etc. to promote gas applications	A. Identify all builders, contractors, developers, architects, engineers, etc. within the designated sales area.
	B. Contact above identified builders, contractors, etc., to promote and sell gas applications.
	C. Establish ongoing relationships with builders, contractors, etc.
	D. Work with appropriate personnel in the propane and natural gas segments to cost out and schedule jobs.
	E. Act as liaison between the company and builders, developers, contractors, etc. after the sale is made until project completion.
	F. Promote the sales of gas appliances through the company.
	G. Attend trade shows as needed.
	H. Take responsibility for sales goals and quotas.
2. Environmental scanning.	A. Attend planning and zoning meetings on a regular basis.

		B	Check permit offices and other appropriate government offices on a regular basis.
		C.	Look for competitive activity.
3.	Reporting.	A.	Report weekly to sales manager on new prospects, status of ongoing jobs, and competitive activity.

JOB KNOWLEDGE/SKILLS:
High School Graduate (college preferred) with 3 years sales experience in the construction industry or related field. General working knowledge of the propane and natural gas industries is a must. Must be computer literate and able to work in PC based software applications with little or no training. Excellent communication, persuasion, social, analytical and organizational skills required.

RESPONSIBILITY FOR EQUIPMENT: Responsible for company car and other tools, etc., as provided by the company.

PHYSICAL EFFORT: Normal physical condition is required to operate car, drive long distances, operate everyday equipment (i.e., computer, phone, etc.) Occasional lifting and moving of objects (i.e., trade shows). Position may require some degree of climbing, balancing, stooping, kneeling, crouching, standing, walking, pushing, pulling, lifting, grasping, handling and flexing.

RESPONSIBILITY FOR SAFETY OF OTHERS: Follows procedures established to promote safety. Maintains an orderly work area.

MENTAL REQUIREMENTS: Considerable ability is required in communicating, both written and verbal, with customers and employees.

SURROUNDINGS: Office, customers offices, commercial establishments, industrial plants.

CHESAPEAKE UTILITIES CORPORATION

JOB DESCRIPTION

July 6, 1999

TITLE: DIVISION ACCOUNTANT I

REPORTS TO: ACCOUNTING AND RATES MANAGER FLORIDA

MAJOR RESPONSIBILITIES: The preparation of timely and accurate divisional financial and operational reports to all levels of internal management and external agencies. Review and discuss financial reports and results with specific operations personnel.

ESSENTIAL FUNCTIONS	TASKS
1. Generation of monthly financials for assigned divisions.	a. Prepare any worksheets (manual or Lotus) required to prepare and document monthly journal entries.
	b. Prepare and input all assigned J/E's.
	c. Review all adjusting J/E's with manager.
	d. Maintain up-to-date filing system of accounting records for the assigned divisions.
	e. Prepare monthly preliminary financial information.
2. Analyze monthly financials and review your findings with manager and operations personnel assigned to these divisions.	a. Compare monthly balance sheet accounts to prior year and income statement accounts to budget and prior year balances, review with Accountant II or manager.
	b. Coordinate all division's financial statements by cross checking all supporting income statement details to summary income statement.

	a. Review, support and be able to explain all balance sheet accounts through the use of detailed workpapers and proper documentation.
	b. Reconcile revenue and gross margin.
3. Reconciliation of all balance sheet accounts and certain income statement accounts.	c. Identify reconciling items and prepare adjusting journal entry (if necessary) for manager's review.
	a. Prepare specific recurring regulatory filings and review with supervisor, as assigned.
	b. Work with PSC auditors, when required.
4. Complete various rate responsibilities.	c. Maintain good relations with the Public Service Commission.
	a. Maintain Fixed Asset System (software) for all plant activity.
	b. Recognize problems and discrepancies in plant activities and review with manager. Journalize adjustment.
5. Maintain plant reports.	c. Maintain monthly Excel reconciliation of gross plant and accumulated depreciated accounts.
	d. Send letter to all tax jurisdictions indicating yearly plant additions.
	e. Monitor all workorders (CWIP report)
	a. Work with the budget team during the budget process.
	b. Calculate overhead rates for capital budgets.

a. Generate all PCFAS reports required.

b. Generate yearly tax accrual.

6. Assist in yearly budgeting process and monthly actual vs. budget reports.

c. Provide supporting documentation for all timing differences.

7. Participants in generation of Federal Tax Return.

8. Assist other accountants and manager with monthly close process and specific accounting goals.

EDUCATION: Bachelor of Science Degree in Business Administration, Accounting or Finance.

JOB KNOWLEDGE: Zero to two years accounting experience. Excellent understanding of Chesapeake's FIS accounting system. Computer experience - Lotus 123.

RESPONSIBILITY FOR EQUIPMENT AND TOOLS: Personal computer hardware and software, calculator and vax terminal.

RESPONSIBILITY FOR MATERIALS: N/A

RESPONSIBILITY FOR DIRECTION AND INSTRUCTION OF OTHERS: N/A

RESPONSIBILITY FOR SAFETY OF OTHERS: N/A

PHYSICAL REQUIREMENTS: This is a sedentary work setting, in a comfortable office atmosphere, requiring minimum physical effort.

MENTAL REQUIREMENTS: Considerable ability is required in communicating, both in speaking and in writing. A high level of visual acuity is needed to work with numbers. Normal hearing ability is required in order to transmit information in speaking and to receive

instructions and information. An advanced level of mental activity is needed in order to learn quickly the details of the position.

HAZARDS: No significant hazards with this position.

SURROUNDINGS: Office surroundings.

CHESAPEAKE UTILITIES CORPORATION

JOB DESCRIPTION

TITLE: PURCHASING\INVENTORY SPECIALIST

REPORTS TO: ACCOUNTING AND RATES MANAGER FLORIDA

MAJOR RESPONSIBILITIES: The preparation, maintenance and execution of purchasing policies, bid specifications, and inventory specification manuals. Evaluating and awarding bids. Development and maintenance of inventory and inventory procedures. Maintenance of vehicles and vehicle service records.

ESSENTIAL FUNCTIONS	TASKS
1. Purchasing of inventory and other major company goods and services. Preparation of purchasing policy bid specifications, manual of inventory specifications.	a. Develop and maintain a purchasing policy. Monitor purchases for compliance. b. Prepare bids, evaluate bids, and award bids. c. Develop and maintain a manual of equipment and materials specifications.
2. Develop and maintain records of vendors and prices.	a. Develop and maintain a record keeping system for vendors, update prices, develop terms and conditions for shipping, discounts etc. b. Coordinate with Accounts Payable for timely payment of invoices to take advantage of discounts.

3. Develop and maintain inventory procedures.	a. Develop inventory record keeping system. Develop procedures to maintain security for inventory. Develop procedures for receiving, storing, issuing and accounting of inventory.
4. Perform day to day inventory replenishment functions.	a. Stock housepiping, service and construction vehicles daily. b. Review stocks daily and reorder inventory as necessary. c. Supervise deliveries and assist in the receiving of deliveries. d. Assist the Accounting Department in the physical inventory.
5. Schedule vehicle maintenance and maintain service records.	a. Develop a vehicle service schedule. b. Schedule vehicles for service and maintain all records.

EDUCATION: Bachelor of Arts Degree in Business Administration, Accounting or Finance. OR ***equivalent education and experience.***

JOB KNOWLEDGE: Three to five years purchasing experience. Excellent understanding of warehousing procedures. Computer experience - Excel/Microsoft Word.

RESPONSIBILITY FOR EQUIPMENT AND TOOLS: Personal computer hardware and software and adding machine. Forklift operation.

RESPONSIBILITY FOR MATERIALS: All warehouse inventory and equipment.

RESPONSIBILITY FOR DIRECTION AND INSTRUCTION OF OTHERS: N/A

RESPONSIBILITY FOR SAFETY OF OTHERS: Employees in warehouse. Outside vendors and delivery personnel.

PHYSICAL REQUIREMENTS: This is a work requiring some physical activity including lifting and operating vehicles and forklifts. ***(Add ADA language)***

MENTAL REQUIREMENTS: Considerable ability is required in communicating, both in speaking and in writing. A high level of visual acuity is needed to work with numbers. Normal hearing ability is required in order to transmit information in speaking and to receive instructions and information. An advanced level of mental activity is needed in order to learn quickly the details of the position.

HAZARDS: Working in the warehouse and yard will require safe and reasonable working habits.

SURROUNDINGS: Office surroundings and outdoors in warehouse and yard.

CHESAPEAKE UTILITIES CORPORATION

JOB DESCRIPTION

TITLE: RATES AND REGULATORY MANAGER

REPORTS TO: FINANCE MANAGER- FLORIDA DIV.

MAJOR RESPONSIBILITIES: Maintains and files all reports and filing to the regulatory commission. Works to develop staff's regulatory knowledge and skills. Participates in annual budgeting process. Primary contact with Florida Public Service Commission concerning all rate/regulatory issues.

ESSENTIAL FUNCTIONS		TASKS	
1.	Complete and review all Regulatory filings and Projects.	a. b.	Workup regulatory filings: PGA, PGA annual forecast, Rate of Return, and other regulatory filings. Work with PSC auditors and complete PSC data request as required.
2.	Provide financial analyses and data to the corporate office.	a.	Monthly, quarterly, and yearly reports.
3.	Assist in yearly budgeting and planning process.	a.	Work with budget team to complete various phases of the budget.
4.	Work with corporate accounting and senior management.	a.	Provide support to other departments when priority dictates.
5.	Maintain and promote good relations with the PSC.		
6.	Other duties as assigned.		

FLORIDA DIVISION
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

RESPONSE TO ISSUE NO. 48

QUESTION: Should an adjustment be made to expenses for new employees hired and related moving expenses? New positions filled in house – at what pay rates were they hired?

ANSWER: Of the six positions listed in the MFR's only two positions, the Project Coordinator and the Purchasing\Inventory Specialist, were filled by in house personnel.

1) Scheduler – Not yet filled.
2) Sales Representative – Filled September 11, 2000 by hire from outside.
3) Accountant I – Filled by outside hire in December 1999.
4) Rates & Regulatory – Not yet filled.
5) Project Coordinator – Filled by Michelle Moore from Customer Service. Hattie Barr, an outside hire, replaced Michelle Moore in Customer Service.
6) Purchasing\Inventory Specialist – Filled by Beverly Bauck from Sales. Ron Dickerson, an in-house hire, filled the Sales position.

See Attachment A – Issue 48 for calculation of adjustments to payroll and benefits. The total adjustment reducing payroll and employee-related benefits is ($10,181).

ATTACHMENT A - ISSUE 48

Beverly Bauck replaced by Ron Dickerson

	1999	2000	2001
Amount included in Account 912	$37,299	$38,791	$40,343
Amount included in Account 926- Payroll Trended @ 6%	$2,238	$2,327	$2,421
Amount included in Account 926- Other Trended- @ 19%	$7,087	$7,370	$7,665
Amount included in Other Taxes @ 15%	$5,595	$5,819	$6,051
Total per MFR's	$52,219	$54,307	$56,480
Amount budgeted for Sales position in 2001- R. Dickerson			$56,445
Adjustment for Sales Position			($35)

Michelle Moore replaced by Hattie Barr

	1999	2000	2001
Amount included in Account 903	$24,284	$25,266	$26,276
Amount included in Account 926- Payroll Trended @ 6%	$1,458	$1,516	$1,577
Amount included in Account 926- Other Trended- @ 19%	$4,616	$4,800	$4,993
Amount included in Other Taxes @ 15%	$3,644	$3,790	$3,941
Total per MFR's	$34,012	$35,372	$36,787
Amount budgeted for Sales position in 2001- H. Barr			$26,641
Adjustment for Customer Service Position			($10,146)
To Account 903			($7,247)
To Account 926			($1,812)
To Other Taxes			($1,087)
			($10,146)

Attachment 98

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 98

Concerning Chesapeake's meter change-out program, please respond to the following:

a. Please provide the amount included in Chesapeake's 2000 and 2001 budgets for replacing meters and service regulators during the meter change-out program.

b. Please describe Chesapeake's policy regarding the replacement of meters and service regulators during the meter change-out process.

c. Please describe Chesapeake's accounting for the meter change-out program.

d. Please provide the number of meters and regulators replaced in the years 1996 – 1999 and projected to be replaced in 2000 and 2001. For each year, please provide the amounts expensed for these replacements by class and identify the accounts in which these expenses are recorded.

Answer

(Williams)

a.

Year	Amount Budgeted
2000	72,727
2001	76,364

b. Please see Attachment 98-A.

c. The Company accounts for all expenses associated with the meter change-out program as an operations and maintenance expense item. Any meters and/or

regulators removed that are unusable are then retired from the capital plant accounts.

d.

	Regulators	Meters	Amount Expensed
1996	N/A	Not Available	59,311
1997	N/A	573	68,389
1998	N/A	661	52,219
1999	N/A	840	69,264
Projected 2000		887	72,727
Projected 2001		931	76,364

The Company does not account for these replacements by class.

The Company does not record the number of regulators replaced in the change-out program.

400 METER & REGULATOR TESTING

404 METER TESTING - FLORIDA COMPANIES

404.1 Meter Classification

All Meters are classified as follows regardless of their operating pressure:

Group 1 - Meters with a rated capacity at 1/2" w.c. differential up to and including 250 cfh.

Group 2 - Meters with a rated capacity greater at 1/2" w.c. differential greater than 250 cfh and less than or equal to 2,500 cfh.

Group 3 - Meters with a rated capacity at 1/2" w.c. differential greater than 2,500 cfh.

404.2 Testing Schedule

See Table 1 at the end of this Section for a summary.

Group 1 - Every 10 years.
Group 2 - Every 10 years.
Group 3 - Every 5 years.

404.3 Pressure and Temperature Correcting Devices

Pressure and/or temperature correcting devices shall be tested at least at the same interval as the associated meter it is installed on. The overall combined accuracy of a correcting device and a meter shall not be more than 1.0% fast or more than 1.0% slow.

404.4 Meter Accuracy Requirements

A meter shall not be installed unless it has been tested and found to meet the accuracy requirements of this Section within a period no longer than twelve months previous to the date of installation.

404.4.1 New Meters

A new gas meter shall not be more than 1.0% fast nor more than 1.0% slow. Manufacturer's meter tests may be used in lieu of 100% testing of each shipment if 10% of the meters purchased are randomly tested and found to be acceptable.

404.4.2 Repaired Meters

A meter that is opened for repairs shall be adjusted to not more than 1.0% fast or more than 1.0% slow.

A meter that intests not more than 1.0% fast or more than 1.0% slow, is not opened for repairs, and is otherwise in good condition may be reset without adjustment.

405 METER AND METERSET MAINTENANCE AND INSPECTION

Metersets are to be routinely painted at the time the meter is removed for periodic testing. The general condition of the piping shall be checked. The set shall be located so the meter is readily accessible for examination, reading, and replacement. No electrical equipment shall be grounded to the gas piping (see Subsection 305.4 Electrical Bonding and Grounding).

The meter shall normally be installed as far as possible from any sources of ignition such as an open flame or an electrical device that produces an arc such as an electric motor. However, in accordance with NFPA 54, it shall be checked to make sure the meter is not located within three feet from a source of ignition.

The meter shall be checked for sign of tampering that might indicate theft of gas.

Multiple meter sets shall be checked to make sure each meter is tagged so as to indicate which customer, apartment, etc. is being fed (See Subsection 9,11.2 Identifying Meters).

406 METER CHANGES

406.1 Important

All meters must be accounted for. Never set or remove a meter without an order. Record all pertinent information on the order.

406.2 Meter Change Procedure

1. Check with customer as to:
   a. name and address
   b. if gas can be turned off temporarily
   c. upstairs apartments, refrigerators, garage heaters, gas lights, water heaters, etc.
2. Check for satisfactory condition of service and regulator vent and insulated union.
3. Turn off gas. (CAUTION: USE PROPER WRENCH.)
4. Remove old meter and cap it immediately.
5. Adjust swivels to fit new meter.
   a. Use tightening movement. If necessary, remove and apply new compound.
   b. Do not allow meter to hang from one swivel only.
6. Use new gaskets.
7. Hang meter and tighten inlet nut by hand until snug and tighten outlet nut until meter is just supported.
8. Purge meter by cracking metercock until a sufficient volume of gas purges meter through loose outlet swivel
9. Tighten outlet swivel by hand until snug
10. Tighten swivel nuts evenly

400 METER & REGULATOR TESTING

11. TURN ON METER SLOWLY AND OBSERVE TEST HAND on upstroke. If test hand continues to move, turn off gas, and check for open appliances or leaks, following procedure as outlined in Subsection 215, "Testing Customer Piping".
12. Purge piping at range and at other locations controlled by a valve. Avoid purging into enclosed appliances such as oven, water heater, or heating equipment.
13. Check operating and lock-up pressure of service regulator (see Subsection 407 "Regulator Maintenance and Inspection").
14. Relight all appliances.
    a. Adjust if necessary (see Appropriate Subsection of Section 1200, "Appliance Servicing").
    b. Check for proper venting (see Section 600, "Venting of Appliances").
    c. Disconnect, cap outlet, and tag defective appliances (see Section 700, Unsatisfactory Conditions).
15. Leak test "Soap Test" all disturbed fittings.
16. Fill out Service Order form completely while at the meter, being particularly careful to record meter readings and meter numbers correctly and legibly.
17. Where more than one meter is involved, complete each order including paperwork before proceeding with the next meter. This will help eliminate errors.
18. Leave premises in the same condition in which you found it.
19. Identify and mark meters on all multiple sets (see subsection 911).
20. Inform customer as you leave premises.

407 REGULATOR MAINTENANCE AND INSPECTION

407.1 Inspection Schedule

A complete Regulator Testing Procedure (Section 407.3) shall be performed on a customer's regulator any time a regulator is installed. It shall also be performed any time a meter is removed (or tested in place with the transfer prover) prior to restoring service such as with a meter SET/TURN ON, or METER CHANGE.

For a TURN ON it is only necessary to check the lock-up point or set point of the regulator. This can be done at an appliance or at any opening in the fuel line. However, if there are no provisions for checking the pressure, the meter must be removed and the complete Regulator Testing Procedure (Section 407.3) performed to insure the regulator is operating correctly.

Where there is more than one meter off one regulator, the regulator shall be fully tested only for a meter SET/TURN ON, or METER CHANGE for the top meter or the meter to the far left.

407.2 Vents/Vent Lines

Any time work is performed on a customer's meter (ie. meter SET/TURN ON, READ IN/OUT, etc...) the regulators vent screen shall be checked to make sure that it is unobstructed and facing down. If a vent line is installed, the vent line shall be disconnected and checked to make sure it is clear by blowing air through it. The vent or vent line must be checked before any tests are performed on the regulator.

407.3 Regulator Testing Procedure

NOTE: The vent/vent line must be checked prior to performing any regulator tests.

407.3.1 Setpoint Test

The setpoint of each regulator shall be checked with a manometer or calibrated spring gauge and adjusted as necessary. The setpoint of residential regulators shall be checked with a 50 cfh orifice. The setpoint of commercial and industrial regulators shall be checked under partial load.

The set point for low pressure regulators is 7" w.c.

Elevated pressure (ie greater then 7"wc or 1/4 psig.) service regulators shall be adjusted as required.

No customer is to be served at greater than 7" w.c. without a pressure compensating device on or within the meter.

407.3.2 Lock-Up Test

Following the setpoint test, the load shall be shut off quickly and the outlet pressure checked. The lock-up pressure shall not exceed that listed in Table III (see end of Section) and shall remain constant for at least thirty seconds without creeping up. If the pressure creeps up, the regulator seat shall be replaced or the regulator changed and the lock-up test repeated.

407.3.3 Internal Leak Test

A leak test shall be performed on residential regulators with the manometer or spring gauge used for the setpoint and lock-up tests. The meter cock shall be closed and the pressure shall be bled off to that indicated in column 3 Table III at the end of this section and held for thirty seconds. A drop in pressure would indicate a leak in the regulator diaphragm, regulator body, or piping that must be found and corrected before being placed back in service.

407.3.4 Vent Test

A second internal leak test shall be performed by forming a bubble over the vent (any vent piping should be disconnected if possible) or vent piping while the meter-cock is on and there very little or no flow through the regulator. The bubble shall be observed for indication of internal leaks. Enlargement of the bubble would indicate an internal leak.

407.4 Relief Valve Testing

Meter sets that utilize a separate relief valve shall have the setpoint of the relief valve checked whenever the regulator setpoints are checked.

The Branch valve feeding the relief valve shall be shut and the relief valve seat checked at the set pressure of the regulator set. The relief valve shall hold pressure for 10 minutes without a loss.

The branch valve feeding the relief valve shall be shut and the setpoint checked with high pressure gas, propane, nitrogen, or carbon dioxide. The setpoint of the relief valve shall be that indicated in Table III.

It is not normally necessary to check the relief setpoint of regulators with internal relief.

The relief valve vent stack shall be checked to make sure it is not located near windows, ventilation ducts, or other openings to a building that could constitute a hazard if the relief valve was to operate. The vent stack shall be checked for a vent cap or device to prevent rain from entering, and for the presence of foreign material such as trash or water which must be removed.

400 METER & REGULATOR TESTING

407.5 Over-Pressure Shut-Off

407.5.1 OPSO Regulators

The proper operation of OPSO regulators shall be checked with high pressure gas, propane, nitrogen, or carbon dioxide.

407.5.2 OPSO Valves

OPSO valves such as the Fisher 634M shall be checked for proper operation with high pressure gas, propane, nitrogen, or carbon dioxide. The fracture disk will have to be replaced after the valve has "tripped" in order to reset the valve before being put back into service. If the OPSO valve fails to function properly, it shall be replaced.

407.6 Regulator Inspection Records

The results of the regulator inspection shall be denoted on the back of a "Meter Order/Service Order" (see Exhibit A at the back of the Section) for Group 1 and 2 meter sets.

A form 602, "Regulator Station Inspection Report" (see Exhibit B) shall be completed whenever any of the regulators at the following stations are inspected:

1) Stations that have Group 3 or larger meters.
2) Stations that have monitor regulators.
3) Stations that have OPSO valves.
4) Stations that have external relief valves.

SAM'S CHESAPEAKE RATE CASE EXHIBITS, DOCKET NO. 000108-GU

1. Chesapeake's Response to Verbal Request No. 3

2. Chesapeake's Response to Staff's Third Set of Interrogatories No. 51

3. Late Filed Geoffroy/Williams Deposition Exhibit No. 7

4. Audit Report on the Expenditures of the American Gas Association for the 12 month period ended December 31, 1998, January 2000, by the National Association of Regulatory Utility Commissioners

5. Chesapeake's Response to Staff's Third Set of Interrogatories No. 52

6. ~~Direct Testimony of Thomas A. Geoffroy, pages 10 & 11~~

7. Late Filed Geoffroy/Williams Deposition Exhibit No. 5

8. Chesapeake's Response to Staff's Third Set of Interrogatories No. 74

9. Chesapeake's Response to Staff's Third Set of Interrogatories No. 42

10. ~~Direct Testimony [illegible], pages 12 & 13~~

RESPONSE TO VERBAL REQUEST
FROM SAM MERTA & LEE ROMIG
FLORIDA PUBLIC SERVICE COMMISSION
6/14/00

1. Acquisition adjustment, Account 1143, Excess Cost of Acq. Income, $154,590, Account 1152, Accumulated Amortization Income Tax on Acq., $114,123. This account was zeroed out as of 12/31/99. The entry to eliminate was a credit to account 1143 for $154,590, a debit to account 1152, in the amount of $114,123, and a debit to account 283-14, Accumulated Deferred Income Tax -Acquisition Cost. There was no effect on any income statement accounts. The last time any entry was made to amortize this account was in July 1994 in the amount of $4,331.

2. A 13-month history of Clearing Accounts, with a 13-month average of ($7,437) including journal entries for January and December 1999. See attached schedule.

3. Total interest income for 1999 was $20,209, which was included below the line. Of this amount $15,554 was due to regulated cash collections. The remaining $4,655 was due to Area Expansion Surcharge interest income.

4. The 13-month average for Accounts Receivable-Service is $148,470. Regulated services in the amount of $55,082 are attributed to regulated natural gas services including, turn-ons, return check charges, and collections. Unregulated accounts receivable in the amount of $93,388 was adjusted out of working capital. The unregulated amounts are for housepiping and appliance repairs. This adjustment is based on the prior rate case order where 62.9 % of Accounts Receivable-Service was adjusted out of working capital.

5. The Plant and Operating Materials & Supplies has a 13-month average of $363,160. A 13-month average for unregulated Plant and Operating Materials & Supplies is $58,688. No adjustment was made to working capital to reflect the unregulated materials and supplies.

6. We are still investigating this account and will provide a more definitive response upon completion of that investigation.

7. Total corporate health insurance claims are expensed monthly based on actual claims paid. The Florida Division is charged monthly based on claims related to Florida employees. Claims paid by corporate are charged against the health insurance reserve. The Florida Division calculates its share of the health insurance reserve by dividing the Florida Division expenses by the total corporate expenses. This percentage is then multiplied by the total corporate health insurance reserve to determine the Florida Division's share. Health insurance reserve is included on corporate books but not on the Florida Division's. Therefore, an adjustment is

Attachment 51

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 51

Please indicate whether charitable contributions by the Florida Division of Chesapeake Utilities Corporation or its parent, Chesapeake Utilities Corporation, are included in above-the-line expenses for 2001. If your response is affirmative, please provide the amounts included above-the-line and the accounts in which they were recorded.

Answer

(Geoffroy)

The Company did not include any charitable contributions in above-the-line expenses for 2001.

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 7
GEOFFROY/WILLIAMS DEPOSITION

QUESTION: **With reference to answer to Interrogatory 53, provide names of association dues paid or expected to be paid in PTY and accounts recorded in, including any dues allocated to the Florida Division, and whether any were adjusted out.**

ANSWER: **Please see Attachment 7-A.**

ATTACHMENT 7A

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION

LATE-FILED DEPOSITION EXHIBIT NO. 7
GEOFFROY/WILLIAMS DEPOSITION

PAGE 1

Account Number		Dues	Dues Included in MFR's	Dues Not in MFR's
92160	Associated Gas Dist	10,000	10,000	
92160	Polk Count Gas Assoc	120	120	
92160	Greater Gulf Coast Gas	100	100	
92160	Florida Natural Gas Assoc	4,009	4,009	
92160	American Gas Assoc	10,656	10,656	
92130	Southern Gas Assoc	2,757	2,757	
92160	Sertoma Club	261	261	
92160	Rotary Club	260	260	
92160	Kiwanis Club	122	122	
92160	Miscellaneous	427	427	
92160	St Cloud Chamber	263		263
92160	Winter Haven Chamber	325		325
92160	Eagle Lake Chamber	85		85
92160	Florida Chamber of Comm	500		500
92160	Haines City Chamber	381		381
92160	Auburndale Chamber	200		200
92160	Citrus County Chamber	150		150
92160	East Polk County-Comm. 100	2,000	2,000	
92160	Economic Development	250	250	
92160	Florida Citrus Showcase	250		250
	TOTAL	33,116	30,962	2,154
9094	Kiss/Osceola Chamber			50
9094	Lake Wales Chamber			299
9094	Polk Economic Education			50
9094	St Cloud Chamber			510
9094	Winter Haven Chamber			1,026
9094	Mulberry Chamber of Com			375
9094	Plant City Chamber			100
9094	Greater Bartow Chamber			180
9094	Citrus County Economic			150
9094	Citrus County Chamber			150
9094	Winter Haven Chamber			325
9094	Auburndale Chamber			200
9094	Haines City Chamber			381
9094	Florida Chamber			500
9094	St Cloud Chamber			263
9094	Eagle Lake Chamber			85
	TOTAL			4,644

ATTACHMENT 7A

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION

LATE-FILED DEPOSITION EXHIBIT NO. 7
GEOFFROY/WILLIAMS DEPOSITION

PAGE 2

	Total 1999	Total 2000	Total 2001
Dues As Filed	$33,116	$33,944	$34,792
Dues As Revised	$39,461	$40,448	$41,459
Adjustment for Dues	$6,345	$6,504	$6,667

Dues as filed	$33,116
less 5% of $2250 (1)	($113)
	$33,003
Plus 95% of $2154 (2)	$2,046
	$35,049
Plus 95% of $4644 (3)	$4,412
Dues as Revised	$39,461

(1) See Page 1
(2) See Page 1

John Slem

AUDIT REPORT ON THE EXPENDITURES

OF THE

AMERICAN GAS ASSOCIATION

(For the 12 month period ended December 31, 1998)

JANUARY 2000

COMMITTEE ON
UTILITY ASSOCIATION OVERSIGHT

National Association of
Regulatory Utility Commissioners
1101 Vermont Avenue, N.W., Suite 200
Washington, D.C. 20005

Telephone No. (202) 898-2200

N A R U C
National Association of Regulatory Utility Commissioners

January 2000

To: The Chairs and Chief Accountants of the State Regulatory Commissions

From: The NARUC Committee on Utility Association Oversight

Re: Transmittal of the 1998 Report on the Expenditures of the American Gas Association

Dear Commissioners and staff:

Attached is the 1998 annual report on the expenditures of the American Gas Association (AGA) provided for your review and consideration. The report was delayed this year due to extensive discussions conducted in regard to a decision of United States Telephone Association (USTA) to withdraw from the NARUC audit process for utility associations. As a result of that decision, our staff studied the technical and policy implications of the matter and made recommendations to the Staff Subcommittee on Accounts (Subcommittee), which has traditionally provided technical advice to our Committee. The Subcommittee has subsequently made recommendations to our Committee. Our Committee met, discussed the matter with other NARUC officers, and decided to request the USTA to remain in the audit process. The request was made. However, while preliminary indications from the USTA are positive, the matter has yet to be resolved.

As a result of the USTA's letter to the Committee informing us that it would withdraw from the NARUC audit process, the USTA did not provide an annual report to the Committee. Consequently, our staff did not conduct an on-site review of the supporting detail of USTA's expenses. Therefore, if the USTA reconsiders its decision to withdraw from the audit process, you will receive the USTA annual report for 1998 from us at a future date.

Hopefully, you will find the information related to AGA contained herein to be useful in helping you decide which, if any, of the costs of the association you should approve for inclusion in utility rates. Often, state commissioners view the costs of the association charged or allocated to the utilities in their jurisdiction in accordance with the policies of their commission for treatment of costs directly incurred by the state's utilities for similar activities.

With the possible exception of expenses directly related to research and development relevant to utility operations and a proportional amount of associated administrative overhead expense, these expense categories may be viewed by some state commissions as potential vehicles for charging ratepayers with such costs as lobbying, advocacy or promotional activities, which may not be to their benefit.

1101 Vermont Avenue, NW, Suite 200, Washington D.C. 20005 • 202.898.2200 • 202.898.2213 *fax* • http://www.naruc.org

As usual, the staff of the Committee conducted an on-site review of the supporting detail of the AGA annual report. The staff found no material discrepancies. The Committee did not raise any questions or objections to the annual report as a result of its review. However, if you have questions about expenses in the AGA annual audit report, please let me know and we will do our best to provide you with the information you need.

Sincerely,



Edward M. Meyers, Chair
NARUC Committee on Utility Association Oversight

MEMBERS OF THE COMMITTEE ON UTILITY ASSOCIATION OVERSIGHT

The Honorable Edward M. Meyers, District of Columbia PSC (Chair)
The Honorable J. Terry Deason, Florida PSC
The Honorable Joseph P. Mettner, Wisconsin PSC

STAFF SUBCOMMITTEE ON UTILITY ASSOCIATION OVERSIGHT

Mr. Dwayne J. Boyd, District of Columbia PSC
Mr. Glenn Bartron, Pennsylvania PUC

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STAFF SUBCOMMITTEE ON UTILITY ASSOCIATION OVERSIGHT

Mr. Glenn Bartron, Pennsylvania PUC
Mr. Dwayne J. Boyd, District of Columbia PSC

AMERICAN GAS ASSOCIATION
SUMMARY OF EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 1998

EXPENSE CATEGORY	PERCENTAGE
Communications	10.27%
MEDIA COMMUNICATIONS:	
Commercial Equipment	5.96%
Environmental	3.37%
Industrial Equipment	1.36%
Promotional	1.46%
Residential Equipment	8.40%
Finance & Administration Services	12.17%
General Counsel & Corporate Secretary	5.54%
Government Relations	23.86%
Marketing Services	16.20%
Meeting Services	-0.18%
Operating & Engineering Services	4.90%
Planning & Analysis	9.51%
General & Administrative Expense	0.00%
TOTAL	102.82% *

* Expense in excess of 100% not funded by dues.

Note: The table above was prepared by the Staff Subcommittee on Utility Association Oversight and should be read in conjunction with the audited financial statements and schedules contained within this report. The expense categories listed above relate to audit definitions found on page III-3 herein.

Calculation of Lobbying Expenses Pursuant to
Internal Revenue Code Section 162(e)

The American Gas Association incurred lobbying expenses, as defined under IRC Section 162, of 3.79% of total member dues during calendar year 1998.

IRC Section 162 Definition of Lobbying

(e) Denial of deduction for certain lobbying and political expenditures
- (1) In general no deduction shall be allowed under subsection (a) for any amount paid or incurred in connection with -
  - (A) influencing legislation,
  - (B) participation in, or intervention in, any political campaign on behalf of (or in opposition to) any candidate for public office,
  - (C) any attempt to influence the general public, or segments thereof, with respect to elections, legislative matters, or referendums, or
  - (D) any direct communication with a covered executive branch official in an attempt to influence the official actions or positions of such official.
- (2) Exception for local legislation - In the case of any legislation of any local council or similar governing body -
  - (A) paragraph (1)(A) shall not apply, and
  - (B) the deduction allowed by subsection (a) shall include all ordinary and necessary expenses (including, but not limited to, traveling expenses described in subsection (a)(2) and the cost of preparing testimony) paid or incurred during the taxable year in carrying on any trade or business -
    - (i) in direct connection with appearances before, submission of statements to, or sending communications to the committees, or individual members, of such council or body with respect to legislation or proposed legislation of direct interest to the taxpayer, or
    - (ii) in direct connection with communication of information between the taxpayer and an organization of which the taxpayer is a member with respect to any such legislation or proposed legislation which is of direct interest to the taxpayer and to such organization, and that portion of the dues so paid or incurred with respect to any organization of which the taxpayer is a member which is attributable to the expenses of the activities described in clauses (i) and (ii) carried on by such organization.
- (3) Application to dues of tax-exempt organizations - No deduction shall be allowed under subsection (a) for the portion of dues or other similar amounts paid by the taxpayer to an organization which is exempt from tax under this subtitle which the organization notifies the taxpayer under section 6033(e)(1)(A)(ii) is allocable to expenditures to which paragraph (1) applies.
- (4) Influencing legislation - For purposes of this subsection -
  - (A) In general The term "influencing legislation" means any attempt to influence any legislation through communication with any member or employee of a legislative body, or with any government official or employee who may participate in the formulation of legislation.
  - (B) Legislation - The term "legislation" has the meaning given such term by section 4911(e)(2).
- (5) Other special rules
  - (A) Exception for certain taxpayers - In the case of any taxpayer engaged in the trade or business of conducting activities described in paragraph (1), paragraph (1) shall not apply to expenditures of the taxpayer in conducting such activities directly on behalf of another person (but shall apply to payments by such other person to the taxpayer for conducting such activities).
  - (B) De minimis exception
    - (i) In general Paragraph (1) shall not apply to any in-house expenditures for any taxable year if such expenditures do not exceed $2,000. In determining whether a taxpayer exceeds the $2,000 limit under this clause, there shall not be taken into account overhead costs otherwise allocable to activities described in paragraphs (1)(A) and (D).
    - (ii) In-house expenditures for purposes of clause (i), the term "in-house expenditures" means expenditures described in paragraphs (1)(A) and (D) other than
      - (I) payments by the taxpayer to a person engaged in the trade or business of conducting activities described in paragraph (1) for the conduct of such activities on behalf of the taxpayer, or
      - (II) dues or other similar amounts paid or incurred by the taxpayer which are allocable to activities described in paragraph (1).
  - (C) Expenses incurred in connection with lobbying and political activities - Any amount paid or incurred for research for, or preparation, planning, or coordination of, any activity described in paragraph (1) shall be treated as paid or incurred in connection with such activity.
- (6) Covered executive branch official - For purposes of this subsection, the term "covered executive branch official" means -
  - (A) the President,
  - (B) the Vice President,
  - (C) any officer or employee of the White House Office of the Executive Office of the President, and the 2 most senior level officers of each of the other agencies in such Executive Office, and
  - (D) (i) any individual serving in a position in level I of the Executive Schedule under section 5312 of title 5, United States Code, (ii) any other individual designated by the President as having Cabinet level status, and (iii) any immediate deputy of an individual described in clause (i) or (ii).
- (7) Special rule for Indian tribal governments - For purposes of this subsection, an Indian tribal government shall be treated in the same manner as a local council or similar governing body.
- (8) Cross reference - For reporting requirements and alternative taxes related to this subsection, see section 6033(e).

Citation: IRC Sec. 6033(e)

AMERICAN GAS ASSOCIATION

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In accordance with agreement between
American Gas Association and NARUC Oversight Committee

For the Year Ended December 31, 1998

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American Gas Association
Expenditures Funded by Member Dues
For the Year Ended December 31, 1998

Group Number	Group Name	Net Expense		Adjustments	G&A Allocation (4)	Adjusted Net Expense	% of Dues
03	Communications	1,561,612	2	(2,679)	430,782	1,989,715	10.27%
13	Media Communications						
	Commercial Equipment	1,105,739	1,2	31,943	17,848	1,155,530	5.96%
	Environmental	625,598	1,2	18,072	10,098	653,768	3.37%
	Industrial Equipment	252,954	1,2	7,307	4,083	264,344	1.36%
	Promotional	270,820	1,2	7,823	4,372	283,015	1.46%
	Residential Equipment	1,557,378	1,2	44,990	25,139	1,627,507	8.40%
06	Finance & Administration Services	1,797,937	3	(13,893)	574,377	2,358,420	12.17%
05	General Counsel & Corp. Secretary	938,797	3	(8,566)	143,594	1,073,825	5.54%
09	Government Relations	3,802,555	3	22,459	800,025	4,625,039	23.86%
08	Marketing Services	2,693,462	1	(107,456)	553,863	3,139,869	16.20%
04	Meeting Services	(34,155)		-	-	(34,155)	-0.18%
14	Operating & Engineering Services	661,825		-	287,188	949,013	4.90%
07	Policy & Analysis	1,392,718		-	451,296	1,844,014	9.51%
01,10,11	General & Administrative Expense	3,302,665		- -	(3,302,665)	0	0.00%
	Grand Total	19,929,905		$ 0	$ 0	$ 19,929,905	102.84%

Adjustments as a result of A.G.A./NARUC Oversight Committee Staff agreement.

1 Allocation of Group Vice President's salaries.
2 Media Communications portion of division expenses.
3 Expenses transferred to Government Relations.
4 G&A allocated on basis of equivalent full-time employees during 1997.

AMERICAN GAS ASSOCIATION

Definitions of Functional Cost Centers
For the Year Ended December 31, 1998

COST CENTER	DESCRIPTION
03	Communications develops informational materials for member companies and consumers and coordinates all media activity.
13	Media Communications manages the development and placement of consumer information advertisements in national print and electronic media.
	Commercial Equipment - explains the use of specific models of commercial/institutional equipment, emphasizing cost savings energy efficiency and the other additional benefits of natural gas.
	Environmental - describes the environmental benefits of natural gas to advocate its increased use to replace other fuels.
	Industrial Equipment - explains cost-savings, energy-savings and other benefits provided by the industrial applications of specific equipment.
	Promotional - promotes the efficient use of natural gas by emphasizing the resource efficiency, cost and other inherent qualities of natural gas.
	Residential Equipment - explains cost-savings, energy-savings, and other related benefits to the customer/user provided by certain models of residential natural gas appliances such as boiler, furnaces, ranges and water heaters.
06/ 16	Finance & Administration develops and implements programs in such areas as accounting, human resources and risk management for member companies.
05	General Counsel & Corporate Secretary provides legal counsel to the Association.
09	Government Relations provides members with information on legislative and regulatory developments; prepares testimony, comments, and filings regarding legislative and regulatory activities; lobbies on behalf of the industry.
08	Marketing assists members in their efforts to encourage the most efficient utilization of gas energy by exchanging information about marketing trends, conducting utilization efficiency programs and exploring market opportunities.

04 Meeting Services and Membership Services provides support services for committee meetings and conferences. In addition, coordinates services provided to members.

14 Operating & Engineering develops and implements programs and practices to meet the operational, safety and engineering needs of the industry.

07 Policy & Analysis identifies the need for and conducts energy analyses and modeling efforts in the areas of gas supply and demand, economics and the environment.

General & Administrative includes:

01 Office of the President provides senior management guidance for all A.G.A. activities.

10 Human Resources develops and administers employee programs and provides general office and personnel services.

11 Finance and Administration develops and administers financial accounting and treasury services and maintains computers services capability.

* Pipeline Research: develops, manages and evaluates pipeline research projects that provide advances in technology.

* Reserve: Extraordinary adjustments are recorded as reserve charges. Major adjustments are identified in the audited financial statements.

* Not funded by current year General Fund Dues.

AMERICAN GAS ASSOCIATION

Schedule of Contributions and Club Dues
For the Year Ended December 31, 1998

Cost Center	Recipient	Amount
09	**Alliance to Save Energy** 1200 18th Street, N.W. Suite 900 Washington, DC 20036	10,000
09	**ASAE Association Alliance** 1575 I Street, N.W. Washington, D.C. 20005	10,000
13	**Association of National Advertisers, Inc.** 155 East 44th Street New York, N.Y. 10017	5,500
09	**Business Council** **Sustainable Energy Future** 1725 K Street, N.W. Suite 509 Washington, DC 20009	25,000
01	**B'nai B'rith Foundation** 21031 Ventura Boulevard Suite 518 Woodland Hills, CA 91364	5,000
09	**Campaign to Keep America Warm** Suite 510 - South 601 13th Street, N.W. Washington, D.C. 20005	20,000
07	**Consumer Energy Council of America** **America Research Foundation** 625 Liberty Avenue Pittsburgh, PA 15222	10,000
08	**Corporate Advisory Board** 600 New Hampshire Avenue, N.W. Washington, D.C. 20037	21,500
08	**Earth Day New York** 205 East 42nd Street Suite 1314 New York, NY 10017	10,000
09	**Franklin Pierce College** c/o Smith Fairfield, Inc. 101 1/2 South Union Street Alexandria, VA 22314	5,000

AMERICAN GAS ASSOCIATION

Schedule of Contributions and Club Dues
For the Year Ended December 31, 1998

Cost Center	Recipient	Amount
01	**GWSAE Assn Leadership Foundation** 1426 21st Street, N.W. Washington, DC 20036	5,000
09	**Jefferson Islands Club** c/o Ms. Nancy Cole 5420 Bradley Boulevard Bethesda, MD 20814	5,000
08	**National Association of Home Builders** 1201 15th Street, N.W. Washington, D.C. 20005	7,000
14	**National Fire Protection Assoc** P.O. Box 9143 Quincy, MA 02169	11,000
09	**National Fuel Gas Distribution Co** 10 Lafayette Square 17th Floor Buffalo, NY 14203	100,000
09	**National Republican Congressional Committee Trust** 320 First Street, S.E. Washington, DC 20003	5,000
08	**Natural Gas Vehicle Coalition** P.O. Box 79346 Baltimore, MD 21279	250,000
09	**Republican Governors Association** 310 First Street, S.E. Washington, D.C. 20003	5,000
09	**RNC Majority Fund** 310 First Street, S.E. Washington, DC 20003	15,000
06	**U.S. Chamber of Commerce Year 2000** c/o Jim Wooton 1615 H Street, N.W, Washington, DC 20062	15,000

AMERICAN GAS ASSOCIATION

Schedule of Contributions and Club Dues
For the Year Ended December 31, 1998

Cost Center	Recipient	Amount
01	**United State Olympic Committee** 1615 L Street, N.W. Suite 900 Washington, DC 20036	10,000
09	**Unity '98--Non-Federal Account** 430 South Capitol Street, S.E. Washington, DC 20003	10,000
03	**Utility Business Education Coalition** 11927 Riders Lane Reston, VA 22091	50,000
	Total $5,000 or Greater	**610,000**
	Total Less Than $5,000	**73,215**
	Total Contributions and Club Dues	**$683,215**

American Gas Association
Expenses of A.G.A. Employees for Meals and Related
Activities with any Third Party by Group
For the Year Ended December 31, 1998

Communications	$	2,087
Membership & Meeting Services		956
General Counsel & Corp Secretary		5,187
Finance and Administration Services		10,911
Policy and Analysis		349
Marketing Services		10,653
Government Relations		35,654
Advertising		1,412
Operating and Engineering Services		6,659
General & Administrative Expenses		11,518
General Fund	$	85,386

AMERICAN GAS ASSOCIATION

Government Relations Division Expenses Including
Allocation of General and Administrative Expense

For the year ended December 31, 1998

Division	Expense
Market Growth and Industry Structure Monitors Congressional activities affecting the gas industry and its customers. This division also lobbies on behalf of the industry and informs the member companies of state & local legislative and regulatory trends and issues of importance to the gas industry and its customers. In 1998 its major legislative efforts were pipeline safety legislation, Federal funding for the Low Income Home Energy Assistance Program (LIHEAP), Federal funding for RD&D and legislation repealing PUHCA.	$1,213,882
Environmental, Safety, Operating and Engineering Monitors Federal agency regulations, programs, studies, position papers and trends of interest to the gas industry. During 1998, it worked on improving DOT pipeline safety programs and environmental regulations.	1,257,003
Federal Energy Regulatory Commission Prepares comments in regulatory proceedings before the FERC. During 1998, it was active in a number of proceedings involving regulation of interstate pipelines and funding of the Gas Research Institute.	2,154,152
Total Government Relations Expenses	$4,625,037

NOTE
Office of the Vice President Government Relations expenses have been allocated directly to the individual divisions by specific activities whenever applicable. The balance of the expenses has been allocated to each division on the basis of the number of assigned full-time personnel in each division during 1998.

AMERICAN GAS ASSOCIATION

PRINT AND TELEVISION

COMMUNICATIONS PROGRAM

1998

BREAKOUT OF EXPENDITURES
BY MEDIA, ADVERTISEMENT AND PURPOSE

RESIDENTIAL

RT Residential Trade Generic

The advertisements in this category were designed to convey information to homebuilders about cost-efficient means of providing energy-saving, economical gas appliances to homebuyers. In addition to providing information about different high- efficiency appliances and equipment for heating and water heating, the program includes information about the new type of piping that enables builders to install gas appliances throughout the home quickly and economically.

The ads are complemented by the cooperative advertisements with gas appliance manufacturers, which provide more detailed information about specific makes and models of appliances and piping.

The objective of these messages was to encourage homebuilders to install efficient, energy- and cost-saving gas appliances in new homes.

Ads:

RT-1 "Choose One"

Residential Equipment: 100% Cost: $212,591 Percentage of dues: 1.097%

RT-2 "There's a Lot to be Said for Being Single"

Residential Equipment: 100% Cost: $78,302 Percentage of dues: 0.404%

RTC Residential Trade Co-op

The advertisements in this category were designed to provide homebuilders, remodelers and hvac/plumbing contractors with information about specific makes and models of efficient, economical gas heating and water heating equipment; as well as about the new flexible piping that is faster and more economical than traditional black iron pipe for installing gas appliances in homes. The ads complement the generic messages by giving readers sources from where these appliances and equipment can be obtained.

The objective of these ads was to encourage homebuilders, remodeling contractors and hvac/plumbing contractors to install energy- and cost-saving natural gas appliances in homes.

Ads:

RTC-1 "Time Counts" (Ward co-op)

Residential Equipment: 100% Cost: $28,251 Percentage of dues: 0.146%

RTC-2 "No More Headaches" (Omegaflex/Tracpipe co-op)

Residential Equipment: 100% Cost: $27,507 Percentage of dues: 0.142%

RTC-3 "Designing it was the Tricky Part." (Parker Hannifin co-op)

Residential Equipment: 100% Cost: $61,944 Percentage of dues: 0.320%

RTC-4 "How am I Supposed to Get All These..." (Gastite co-op)

Residential Equipment: 100% Cost: $53,940 Percentage of dues: 0.278%

RTC-5 "We've Left Every Stone Unturned" (Gastite co-op)

Residential Equipment: 100% Cost: $24,168 Percentage of dues: 0.125%

RTC-6 "More than a Water Heater" (Bradford-White co-op)

Residential Equipment: 100% Cost: $30,742 Percentage of dues: 0.159%

RTC-7 "Heating & Hot Water from One Source." (Bradford-White co-op)

Residential Equipment: 100% Cost: $4,503 Percentage of dues: 0.023%

RCCTV Residential Consumer Co-op Television

RCCTV-1 "Lennox Complete Heat System" (Lennox co-op)

Residential Equipment: 100% Cost: $513,820 Percentage of dues: 2.651%

This television commercial was designed to build homeowners' awareness of the high-efficiency (90% AFUE), economical, natural gas "CompleteHeat" system that provides virtually unlimited hot water and comfortable home heating in a single appliance. The commercial also includes a toll-free number so viewers can obtain more information. The commercial appeared in concert with a print ad which provided more detailed information about the product and how it can help them save on their energy bills.

RCCP Residential Consumer Co-op Print

RCCP-1 "Does Your Family Tend to Yell a Lot?"

Residential Equipment: 100% Cost: $591,738 Percentage of dues: 3.053%

This ad was designed to provide homeowners with information about Lennox's "WhisperHeat" gas furnace and "CompleteHeat" natural gas heating and water heating system, both of which offer economies to the consumer. The WhisperHeat furnace also provides quieter operation than other furnaces, and its flexible design enables it to be installed quickly and inexpensively in a variety of places in the home. The CompleteHeat system provides virtually unlimited hot water (eliminating the common problem of "cold showers" and its 90% efficiency rating translates to lower heating bills for the consumer. The ad includes a toll-free number so interested consumers can obtain additional information about these and other energy- and cost-saving Lennox natural gas heating and water heating systems.

CF Commercial Foodservice

The advertisements in this category were developed to convey information to commercial and institutional food service owners and operators about the energy-saving, cost-saving and other benefits of using natural gas for dishwashing (or "warewashing," as it is called in commercial terminology). The two-page ad, which ran for several months, increased awareness of this little-known opportunity for saving significant amounts in operating costs (natural gas warewashers can save two-thirds of the operating cost of comparable electric equipment - even more when combined with a natural gas booster heater). The 8-page piece, which was published twice, provided more detailed information about the benefits to the user (including no need for chemical rinses) as well as the variety of natural gas dishwashing equipment available.

Ads:

CF-I "Warewasher/Jackpot"

Commercial Equipment: 100% Cost: $420,400 Percentage of dues: 2.169%

CF-2 "Your Key to Running a Clean Machine"

Commercial Equipment: 100% Cost: $72,693 Percentage of dues: 0.375%

CFC Commercial Foodservice Co-op

CFC- I "We Have a New Way to Get You Into Hot Water!" (Hatco co-op)

Commercial Equipment: 100% Cost: $28,423 Percentage of dues: 0.147%

The purpose of this advertisement was to provide commercial foodservice owners and operators with information about the benefits of Hatco's "Powerinite" natural gas-fueled booster water heaters. The booster heaters provide an effective, non-chemical alternative to chemical sanitizing systems, as well as significant cost- and energy-savings compared with electric booster heaters. Hatco's booster heaters are available in a variety of sizes to complement a wide range of dishwashing needs. The ad includes information to enable the reader to obtain additional information.

CCC Commercial Climate Control

CCC-1 "They All Have Special Cooling Problems"

Commercial Equipment: 100% Cost: $519,356 Percentage of dues: 2.680%

This ad was developed to convey information to commercial building owners, managers, and mechanical engineers about the environmental, energy-saving, cost-saving and comfort-enhancing advantages of natural gas cooling systems for commercial facilities. The ad provides information about how different types of gas cooling technologies - absorption, engine-driven, and desiccant systems-can help solve common problems such as temperature control, high peak electricity rates, brownouts, high humidity levels, and air pollution.

This ad complements the cooperative ads with manufacturers that provide commercial energy decision-makers with information about specific makes and models of gas cooling equipment.

CCCC Commercial Climate Control Co-op

These ads, produced by manufacturers of natural gas cooling equipment, were designed to convey information to commercial facility energy decision-makers about specific makes and models of a variety of types of gas cooling systems. The ads describe the energy- and cost-saving benefits, as well as the environmental advantages, of engine-driven absorption, and desiccant systems, while providing means for readers to obtain additional information.

Ads:
CCCC-1 "Our Friends Think We Need Help" (Tecogen co-op)

Commercial Equipment: 100% Cost: $31,949 Percentage of dues: 0.165%

CCCC-2 "Save Your Energy" (LaRoche Air Systems co-op)

Commercial Equipment: 100% Cost: $34,426 Percentage of dues: 0.178%

CCCC-3 "Built to Last. Totally Cool." (Trane co-op)

Commercial Equipment: 100% Cost: $48,284 Percentage of dues: 0.249%

INDUSTRIAL

IND **Industrial**

The purpose of the advertisements was to inform industrial energy decision makers of the energy savings and increased thermal control provided to a variety of industrial applications by advanced gas-fired and associated 'equipment.

The ads were designed to convey gas' superiority of performance and economic advantages over conventional methods of production assistance. The ads depict the latest designs and comparative studies in areas such as heat-treating, advanced glass melting technologies, hybrid water heaters and new directions in gas cooling.

The ads also inform industrial energy decision-makers of the energy savings and emissions reductions provided by advanced gas-fired and associated equipment for environmental control and pollution abatement.

IND-1 "Gas Technology"

Industrial Equipment: 80%/Environmental: 20% Cost: $283,274 Percentage of dues: 1.462%

IND-2 "Natural Solutions"

Industrial Equipment: 80%/Environmental: 20% Cost: $47,157 Percentage of dues: 0.243%

ENVIRONMENTAL

ENVP Environmental Print

The purpose of the ads in this category was to 1) convey the economic, environmental, reliability, availability and other benefits of natural gas to legislative decision-makers and public policy-makers in Washington, DC. The ads appeared only in media targeting Washington, DC.

ENVP-1 "A Source of Energy that Reduces Greenhouse Gas Emissions."

Environmental: 50% /Promotional: 50% Cost: $352,035 Percentage of dues: 1.816%

This ad was designed to convey information about the environmental benefits of natural gas, particularly in regard to greenhouse gas emissions, compared with electricity derived from coal or oil. As substantiation, the ad notes that a house using natural gas causes 60% fewer greenhouse gas emissions than a similar all-electric home.

The ad also conveys the economic benefits of natural gas - noting that on average, heating a home with electricity costs 50% more than with natural gas.

In addition, the ad coveys the message that natural gas is a domestic fuel - 99% of what we use is produced in North America, and is delivered through a reliable, safe system.

ENVP-2 "Should We Choose an Energy That's..."

Environmental: 50% /Promotional: 50% Cost: $186,253 Percentage of dues: 0.961%

This ad was designed to provide information about the "total energy efficiency" (a.k.a., source efficiency) of natural gas compared with electricity. The ad conveys the fact that two-thirds of the energy used to generate electricity from coal is wasted before it reaches the user. The ad also conveys information about the domestic quality and plentiful supply of natural gas.

ENVP-3 "An Open Letter to the Sponsors..."

Promotional: 100% Cost: $13,872 Percentage of dues: 0.072%

This ad was developed to convey the gas industry's appreciation to the sponsors and co-sponsors of the One-Call Provision of the Transportation Equity Act. The ad was also designed to convey the message that the natural gas industry is working to enhance public safety, protect the environment and meet the expanding energy needs of America's growing economy.

ENVTV Environmental Television

ENVTV-1 "Sponge"

Environmental: 100% Cost: $318,538 Percentage of dues: 1.644%

This commercial was developed to convey the environmental benefits of using natural gas. It visually demonstrates how using natural gas can help reduce air pollutants such as greenhouse gas emissions, nitrogen oxide emissions and sulfur dioxide emissions, compared with electricity, coal, oil and gasoline. It also conveys, through the tagline, the economic benefit of natural gas, which makes it a viable alternative for helping to keep our air clean.

Attachment 52

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 52

For 1999, please list, describe, and indicate the amount of any dues paid by the Florida Division of Chesapeake Utilities Corporation and any dues allocated to the Florida Division other than those shown on Schedule C-11, page 54 of the MFRs. In your response, please indicate the account in which these dues are recorded and explain how these dues were trended.

Answer

(Williams)

Total Central Florida Gas dues paid in 1999 were $33,116. In addition to the dues listed on MFR Schedule C-11 are the following items:

Sertoma Club	$261
Chamber of Commerce	$3,904
Economic Development	$500
Rotary Club	$260
Kiwanis Club	$122
Miscellaneous	$427
Total	$4,474

Corporate allocated dues to the Florida Division in 1999 totaled $2,032, which is 18% of the Corporate total of $11,288. Corporate dues are listed below:

American Gas Cooling Center	$2,000
National Investor Relations	$2,975
US Chamber of Commerce	$1,100
Miscellaneous	$5,213
Total	$11,218

These dues are recorded in account 921 and trended as inflation only.

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 5
GEOFFROY/WILLIAMS DEPOSITION

QUESTION: What is included in Account 901, $9,794, Account 920, A & G salaries, $2,000, Account 928, $3,120, Regulatory Commission Expense, and Account 932, Maintenance – General Office, $21,224? What is the rational for trending by customer growth times inflation.

ANSWER: The $9,794 for Account 901 includes $7,749 in accounts payable and $2,044 in vehicle clearing charges. The accounts payable portion in the amount of $7,749 includes phone charges of $3,903, office supplies of $652, utility charges of $614, and other miscellaneous charges of $2,580. The vehicle charges are vehicle costs that follow employees who charge time to this account. These costs are trended using customer growth times inflation because as the number of customers increase so do the related costs charged to this account. Inflation obviously impacts salaries, vehicle costs, and prices charged to the Company by vendors.

The $2,000 in Account 920, is for Associated Gas Distributor Dues. Inflation impacts this fee due to rising attorney fees associated with AGDF.

The $3,120, in Account 928, is for attorney fees paid to Ruden, McClosky & Smith for various services directly associated with the Florida Public Service Commission. Customer growth is a factor in these fees as many of the new industrial customers added to the Company's system are special contract customers that require approval from the FPSC. In addition, inflation forces attorney fees to increase over time.

The $21,224, included in Account 932, Maintenance General Office, includes building cleaning expenses of $6,996, lawn care expenses of $2,580, maintenance fees of $2,637, and other miscellaneous fees for repairs, security, cleaning products, pest control, etc. in the amount of $9,011. Customer growth is a factor in trending these costs because more customers create more traffic in the office that increases the maintenance and repair of the facilities. There is also more space in the building available for customers, more chairs, etc. due to this increase in customer growth. Inflation affects our vendors which increase their fees to the Company and is an obvious factor in trending for the year 2001.

Attachment 74

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 74

Referring to Schedule G-2, page 223 of the MFRs, please indicate what items are included in the amount of $210,421 shown for Account 920, under Other Trended. Please explain why Chesapeake believes that it is appropriate to trend this amount by customer growth times inflation.

Answer

(Williams)

The $210,421 includes the following items:

Executive bonus accrual	$35,848
Corporate allocations	$174,573

The Florida Division is allocated expenses from Corporate by its proportion of Net Plant to Total Company Net Plant. Since Net Plant is affected by both customer growth and inflation, it is appropriate to trend this portion of Account 920 by customer growth times inflation.

Attachment 42

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 42

Please provide a list of Chesapeake's environmental costs by year since inception, showing accruals, actual expenses, adjustments (e.g., recoveries), and balances for each item listed.

Answer

(Geoffroy)

Please see Attachment 42-A for the summary of costs since the 1989 rate case.

Attachment 42-A

Exhibit No. TAG-3
Florida Division of Chesapeake Utilities Corporation
Docket No. 000108-GU

Summary of the Activity in the Amortization Reserve for the Manufactured Gas Plant site Clean-up

Date	Amounts Collected	Overearnings Applied	Costs Incurred	Balance
Beginning Balance @ 12/31/88				($286,825)
12/31/89	$69,546		$17,246	($234,525)
12/31/90	$69,546		$110,811	($275,790)
12/31/91	$69,546		$30,605	($236,848)
12/31/92	$67,978		$2,112	($170,983)
12/31/93	$71,114	$118,761	$17,949	$943
12/31/94	$71,114		$44,685	$27,372
12/31/95	$71,118		$34,309	$64,181
12/31/96	$71,114	$292,038	$31,676	$395,658
12/31/97	$71,114		$31,563	$435,209
12/31/98	$71,114		$4,455	$501,867
12/31/99	$71,114		$68,272	$504,710

Florida Divison of Chesapeake Utilities Corporation
Docket No. 000108-GU
Matthew Brinkley

1.) Company's response to Staff Interrogatory No. 37
2.) Company's response to Staff Interrogatory No. 38
3.) Company's response to Staff Interrogatory No. 39
4.) Company's response to Staff Interrogatory No. 102
5.) Company's response to Staff Interrogatory No. 105
6.) Company's response to Staff Interrogatory No. 106
7.) Company's response to Staff Interrogatory No. 107
8.) Company's response to Staff Interrogatory No. 108
9.) Company's response to Staff Interrogatory No. 111
10.) Company's response to Staff Interrogatory No. 112
11.) Company's response to Staff Interrogatory No. 113
12.) Company's response to Engineering Report
13.) Company's response to Issue 16
14.) Company's response to Issue 52
15.) Company's response to Issue 56
16.) Company's response to Audit Data Request 26
17.) Company's response to Audit Data Request 27
18.) Company's response to Audit Data Request 42
19.) Company information in Audit Workpaper 43-5 (Sample of Acct. 912 - Demo and Selling)
20.) Company's Late-filed Deposition Exhibit 5
21.) Company's Late-filed Deposition Exhibit 8
22.) Company's Allocation Calculation Schedule of Corporate Overhead
23.) Williams/Geoffroy Deposition Transcript and Exhibit relating to allocation of common plant (page 53 and 54 only)

Attachment 37

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 37

Referring to Schedule G-1 on page 178 of the MFRs, please respond to the following:

a. For 2001, please list and describe the items included in the Accounts Receivable-Service balance of $148,470, and provide the amount for each item.

b. Please indicate what items are included in the amount of $107,396 that was "adjusted out" of this balance, and provide the amount for each item.

Answer

a. The $148,470 is a 13-month average balance that consists of the following items. Accounts Receivable for meter turn-on charges, returned check charges and collections, service calls, housepiping, and appliance repairs are included in this account.

b. There are no specific items included in this adjustment of $107,396. This is a calculation based on the amount of A/R Service adjusted out of last rate case. The amount adjusted out in the last rate case was 62.9% of the balance in A/R Service. The adjustment of $93,388 for the Historic Test Year is 62.9% of the $148,470 13-month average balance. The $107,396 adjustment in 2001 was inadvertently based on a 15% increase in A/R-Service. The $93,388 properly represents the adjustment for the year 2001 since the A\R-Service remained unchanged from the 1999 amount.

Attachment 38

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 38

Referring to Schedule B-1 on page 10 of the MFRs, please explain why the Accounts Receivable-Service account increased from $129,642 in November 1999 to $765,744 in December 1999.

Answer

(Williams)

The Accounts Receivable-Service account increased considerably from November 1999 to December 1999 due primarily to a number of large invoices to TECO\Peoples Gas for the Citrosuco project and the transfer of the Florida Division's Fishhawk assets to TECO\Peoples Gas as a result of a territorial agreement approved by the Florida Public Service Commission by Order No. PSC-99-2106-PAA-GU, dated October 25, 1999.

Invoices to Citrosuco	$335,387
Invoices For Fishhawk	$356,591
Total for 2 Projects	$691,978

Attachment 39

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 39

Please provide the amount of nonregulated Materials and Supplies included in the $363,160 in working capital. The amount should be based on the percentage of nonutility issues to total issues.

Answer

(Williams)

The amount of nonregulated materials & supplies included in the $363,160 amounts to $58,688. This is based on our balance of items in stock that would be issued to nonregulated activities as of December 31, 1999.

Attachment 102

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 102

Please identify all of the operating divisions and subsidiaries of Chesapeake Utilities Corporation and explain how each is included in the allocation process. In your response, please explain how allocation percentages are calculated for each operating division and subsidiary and provide a sample calculation. Also, please indicate whether Chesapeake Utilities Corporation and the Florida Division update allocation percentages on an annual basis.

Answer

(Williams) less than 1% assets = no allocation

- R Delaware Division of Chesapeake Utilities Corporation
- R Maryland Division of Chesapeake Utilities Corporation
- R Florida Division of Chesapeake Utilities Corporation
- F Piped Propane Systems of DelMarVa
- Fenc R Eastern Shore Natural Gas
- NR Sharp Energy
- NR United Systems Inc. - software
- NR Skipjack, Inc. Real Estate Holding
- NR Eastern Shore Real Estate, Inc.
- NR Sam Shannahan Well Co., Inc. Bot. water or Purification
- NR EcoWater Systems of Michigan, Inc.
- NR Carroll Water Systems, Inc.

Allocation is based on Net Plant and is updated annually.

Sample: Florida Net Plant $17,406,191 divided by Total Corporation's Net Plant $97,757,392 results in 17.81% rounded to 18% for the calculation.

Attachment 105

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 105

Please indicate whether Chesapeake Utilities Corporation allocated any expenses to the Florida Division that the Florida Public Service Commission has previously disallowed for recovery, including, but not limited to, lobbying expenses, charitable contributions, social dues, and image building advertising. If your response is affirmative, please identify each expense allocated, the amount allocated, and the account in which each expense is recorded for years 1999, 2000, and 2001.

Answer

(Williams)

Chesapeake Utilities Corp. did not allocate any expenses to the Florida Division that the Florida Public Service Commission has previously disallowed for recovery, including, but not limited to, lobbying expenses, charitable contributions, social dues, and image building advertising.

Attachment 106

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 106

Please identify the account(s) in which any advertising expenses for 1999 and 2000 were recorded.

Answer

(Williams)

Account 913 contains advertising expenses for 1999 and 2000.

Attachment 107

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 107

Please indicate whether Chesapeake included in expenses any costs for Christmas parties, picnics, or similar social events. If your response is affirmative, please provide the amounts included in expenses for any such events and identify the accounts in which those expenses were recorded.

Answer

(Williams)

Chesapeake did not include any expenses for Christmas parties, picnics, or similar ~~social~~ events.

Attachment 108

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 108

Referring to Schedule C-31 on page 76 of the MFRs, please respond to the following:

a. Please list and describe in detail the items included in the amounts of $37,422 and $30,164, Corp. Allocations – Various Fees.

b. Please provide a detailed description of the services provided by David Langer.

c. Please provide a detailed description of the services provided by Baker and Hostetler.

d. Please provide a detailed description of the services provided by the Associated Gas Distributors for the project listed as "FERC Assessment Fees". In your response, please explain how these services differ from the services provided by Crowell & Moring LLP for "FERC Matters" and identify any similar services that were provided by both entities. Please indicate whether the services of either entity involve lobbying.

e. Please provide a detailed description of the services provided by Headley's Natural Gas and explain Chesapeake's need for these services.

Answer

(Williams and Geoffroy)

a. Line 6, in the amount of $37,422 for Legal Expenses is 18% of corporate legal costs. A retainer of $15,000 per month is paid for legal services for an annual total of $180,000. In addition to these charges, specific charges of $28,035 were paid for a corporate total of $208,035. The Florida Division's allocation of 18% is $37,422. The $30,164 in Other Consulting fees as shown on line 12 represent 18% of corporate charges for other miscellaneous consulting fees. The consulting fees consist of 30% for strategic business planning consulting, 15% for tax consulting, and the remaining 55% to seven vendors for miscellaneous consulting.

b. As is described in detail on pages 39-40 of the Direct Testimony of Thomas A. Geoffroy, Mr. Langer has been retained to provide key community and governmental contacts for the new Citrus County distribution system. Mr. Langer has assisted the Company on many matters, including the acquisition of a piece of property for the city gate station from a local developer at no cost, obtaining commitments from the two largest developers in the County to utilize natural gas in their home construction, and facilitating the Company's understanding and functioning of the local (City and County) permitting processes. Mr. Langer's services are required to successfully manage relations with local governmental agencies, negotiate with additional developers and builders and interact with local economic development agencies.

c. Baker and Hostetler provides local, legal services relating to labor issues and customer bankruptcy proceedings.

d. As is described in detail on pages 40-41 of the Direct Testimony of Thomas A. Geoffroy, the Associated Gas Distributors of Florida (AGDF) provides a key

benefit to the ratepayers of the Company by controlling costs associated with FERC activity. This continuous and typically costly function of monitoring and participating in numerous FERC activities that directly affect the Company and its customers is spread among all members of the AGDF instead of being incurred solely by the Company. The specific services provided by the AGDF for the project listed as "FERC Assessment Fees" is for the legal services of Crowell & Moring LLP and some small miscellaneous expenses. As is stated in Mr. Geoffroy's testimony, Crowell & Moring LLP provides distinct services for AGDF on issues that this organization specifically agrees to participate in, as reflected in the minutes of its meetings. On FERC issues that the AGDF determines that it does not wish to participate in as a group, these do, on occasion, impact the Florida Division; therefore, the Florida Division retains the services of Crowell & Moring, LLP for these specific instances. Neither AGDF nor Crowell & Moring, LLP provide lobbying services.

e. As is described in detail on pages 38-39 of the Direct Testimony of Thomas A. Geoffroy, Mr. Headley has been retained to continue to provide the critical industrial customer relations function in which he has served the Company so well over the years. It is because of the fact that the Company developed, directly through Mr. Headley, a successful and on-going relationship with <u>every</u> large-use customer (over 50,000 therms annually) that the Company has been able to avoid or mitigate customer bypass of the Company's distribution system.

Attachment 111

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 111

Referring to Schedule C-5 on page 45 of the MFRs, please explain why Account 881, Rents, increased from $2,223 in November 1999 to $16,667 in December 1999. In your response, please indicate whether the increase represents an ongoing or a non-recurring expense.

Answer

(Williams)

In December 1999, this account was charged for two months rent at $8,333 per month for the recurring cost associated with the lease of pipeline capacity (effective November 1, 1999) from Citrosuco North America, Inc.

Attachment 112

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 112

Please provide a list of all rental locations for which the amount of $54,161 included in Account 931, Rents, has been expended.

Answer

(Williams)

1) 1514 S. Alexander St., Suite 107, Plant City, FL 33566.

2) 1639 W. Gulf to Lake Hwy., Lecanto, FL 34461.

3) Corporate allocated rent.

Attachment 113

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 113

For 1999, please provide the amount of rental expense included for the building in Plant City, Florida. In your response, please indicate whether this is the same building for which an adjustment was required in Chesapeake's last rate case (Order No. 23166) and, if so, whether Chesapeake made a consistent adjustment in its MFRs to remove a portion of the rent. Please explain any adjustment made.

Answer

(Williams)

Rental expense for the Plant City, Florida building is $902.05 per month. This is not the same building for which an adjustment was required in Order No. 23166.

CENTRAL FLORIDA GAS

September 6, 2000

Ms. Blanca S. Bayo
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
00 SEP 11 AM 6:24
DIVISION OF
ECONOMIC REGULATION

RE: DOCKET NO. 000108-GU
CHESAPEAKE UTILITIES CORPORATION
COMPANY RESPONSE TO ENGINEERING REPORT

Dear Ms. Bayo:

The Florida Division of Chesapeake Utilities Corporation makes the following response to the Florida Public Service Commission regarding the Chesapeake Rate Case, Docket Number 000108-GU/Plant Allocation (Schedule B-5, I-4 & G-1, pages 191 thru 196) dated July 21, 2000.

Allocation of Common Plant

The Commission staff proposes the adjustments to the Allocations of Common Plant in the Projected Test Year as shown on Attachment 1.

Company Response: The Company does not oppose the adjustments to the Allocations of Common Plant as shown on Attachment 1, as adjusted to account for all recommendations contained within the Engineering report (shown on Attachment 2); however, the Company believes that similar adjustments to Accumulated Depreciation also need to be made as shown on Attachment 3.

Construction Budget for the Historic Base Year + 1 Schedule G-1 Page 23 of 28.

The Staff recommends that Line 2 – Account #376 – NEW MAINS should be adjusted to account for several proposed Contribution-In-Aid of Construction amounts.

Company Response: The Company has already netted against the NEW MAINS account ($2,002,079) all proposed Contribution-In-Aid of Construction amounts. Please see the attached response to Staff's First Set of Interrogatories Number 4 (Attachment 4) relating to the Historic Base Year + 1 New Mains schedule contained within the MFR's. Therefore, no additional adjustment is necessary for this account.

Central Florida Gas Company
A Division of Chesapeake Utilities Corporation
1015 Sixth Street, NW • P.O. Box 960 Winter Haven, Florida 33881 • 863.293.2125 • 863.294.3895 / fax • www.cfgas.com

DOCUMENT NUMBER-DATE
11163 SEP-88
FPSC-RECORDS/REPORTING

The Company does not oppose any other adjustments contained in the Engineering Report, including the adjustments to Line 26 – Account 392 – Transportation Equipment to increase the rate base by $3,018 and to Line 29 – Account 396 – Power Operated Equipment to increase the rate base by $12,500.

Sincerely,

Thomas A. Geoffroy
Assistant Vice President

Attachment

Cc: Wayne Schiefelbein, Esquire

ATTACHMENT 1

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP
DOCKET NO. 000108-GU

SCHEDULE G-1
PAGE 18 OF 28
PROJECTED TEST YEAR: 12/31/01

CHESAPEAKE ALLOCATION

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY
15	374	LAND	$28,635	0.0%	$0
16	375	STRUCTURE & IMPROVEMENTS	251,056	0.0%	0
17	387	OTHE EQUIPMENT	328,073	0.0%	0
18	389	LAND	98,285	0.0%	0
19	390	STRUCTURE & IMPROVEMENTS	332,834	0.0%	0
20	391	OFFICE FURN. & EQUIPMENT	420,456	7.2%	30,474
21	392	AUTO & TRUCKS	973,873	7.2%	70,586
22	394	TOOL, SHOP, & GARAGE EQUIP.	89,061	0.0%	0
23	396	POWER OPERATED EQUIPMENT	374,435	0.0%	0
24	397	COMMUNICATION EQUIPMENT	97,610	7.2%	7,075
25	398	MISC EQUIP (SPECIFY)	50,583	0.0%	0
26		TOTAL	$3,044,901		$108,135

STAFF RECOMMENDATION (AS ADJUSTED)

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY
15	374	LAND	$28,635	0.0%	$0
16	375	STRUCTURE & IMPROVEMENTS	251,056	4.3%	10,795
17	387	OTHE EQUIPMENT	328,073	7.2%	23,477
18	389	LAND	98,285	33.5%	32,925
19	390	STRUCTURE & IMPROVEMENTS	332,834	33.5%	111,499
20	391	OFFICE FURN. & EQUIPMENT	420,456	7.2%	30,272
21	392	AUTO & TRUCKS	973,873	22.2%	216,200
22	394	TOOL, SHOP, & GARAGE EQUIP.	89,061	0.0%	0
23	396	POWER OPERATED EQUIPMENT	374,435	0.0%	0
24	397	COMMUNICATION EQUIPMENT	97,610	7.2%	7,027
25	398	MISC EQUIP (SPECIFY)	50,583	0.0%	0
26		TOTAL	$3,044,901		$432,196

ATTACHMENT 2

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP
DOCKET NO. 000108-GU

SCHEDULE G-1
PAGE 18 OF 28
PROJECTED TEST YEAR: 12/31/01

CHESAPEAKE ALLOCATION

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY
15	374	LAND	$28,635	0.0%	$0
16	375	STRUCTURE & IMPROVEMENTS	251,056	0.0%	0
17	387	OTHE EQUIPMENT	328,073	0.0%	0
18	389	LAND	98,285	0.0%	0
19	390	STRUCTURE & IMPROVEMENTS	332,834	0.0%	0
20	391	OFFICE FURN. & EQUIPMENT	420,456	7.2%	30,474
21	392	AUTO & TRUCKS	973,873	7.2%	70,586
22	394	TOOL, SHOP, & GARAGE EQUIP.	89,061	0.0%	0
23	396	POWER OPERATED EQUIPMENT	374,435	0.0%	0
24	397	COMMUNICATION EQUIPMENT	97,610	7.2%	7,075
25	398	MISC EQUIP (SPECIFY)	50,583	0.0%	0
26		TOTAL	$3,044,901		$108,135

STAFF RECOMMENDATION (AS ADJUSTED)

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY
15	374	LAND	$28,635	0.0%	$0
16	375	STRUCTURE & IMPROVEMENTS	251,056	4.3%	10,795
17	387	OTHE EQUIPMENT	328,073	7.2%	23,621
18	389	LAND	98,285	33.5%	32,925
19	390	STRUCTURE & IMPROVEMENTS	332,834	33.5%	111,499
20	391	OFFICE FURN. & EQUIPMENT	420,456	7.2%	30,273
21	392	AUTO & TRUCKS	976,891	22.2%	216,870
22	394	TOOL, SHOP, & GARAGE EQUIP.	89,061	0.0%	0
23	396	POWER OPERATED EQUIPMENT	386,935	0.0%	0
24	397	COMMUNICATION EQUIPMENT	97,610	7.2%	7,028
25	398	MISC EQUIP (SPECIFY)	50,583	0.0%	0
26		TOTAL	$3,060,419		$433,012

961

ATTACHMENT 3

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORP
DOCKET NO. 000108-GU

SCHEDULE G-1
PAGE 22 OF 28
PROJECTED TEST YEAR: 12/31/01

CHESAPEAKE ALLOCATION

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY
13	374	LAND	$0	0.0%	$0
14	375	STRUCTURE & IMPROVEMENTS	55,545	0.0%	0
15	387	OTHE EQUIPMENT	190,140	0.0%	0
16	389	LAND	0	0.0%	0
17	390	STRUCTURE & IMPROVEMENTS	96,122	0.0%	0
18	391	OFFICE FURN. & EQUIPMENT	196,762	7.2%	14,281
19	392	AUTO & TRUCKS	587,014	7.2%	42,547
20	394	TOOL, SHOP, & GARAGE EQUIP.	32,539	0.0%	0
21	396	POWER OPERATED EQUIPMENT	166,355	0.0%	0
22	397	COMMUNICATION EQUIPMENT	47,939	7.2%	3,475
23	398	MISC EQUIP (SPECIFY)	18,526	0.0%	0
24		TOTAL	$1,390,942		$60,283

STAFF RECOMMENDATION (AS ADJUSTED)

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY
15	374	LAND	$0	0.0%	$0
16	375	STRUCTURE & IMPROVEMENTS	55,545	4.3%	2,388
17	387	OTHE EQUIPMENT	190,140	7.2%	13,690
18	389	LAND	0	33.5%	0
19	390	STRUCTURE & IMPROVEMENTS	96,122	33.5%	32,201
20	391	OFFICE FURN. & EQUIPMENT	196,762	7.2%	14,167
21	392	AUTO & TRUCKS	587,014	22.2%	130,317
22	394	TOOL, SHOP, & GARAGE EQUIP.	32,539	0.0%	0
23	396	POWER OPERATED EQUIPMENT	166,355	0.0%	0
24	397	COMMUNICATION EQUIPMENT	47,939	7.2%	3,452
25	398	MISC EQUIP (SPECIFY)	18,526	0.0%	0
26		TOTAL	$1,390,942		$196,215

197

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

RESPONSE TO ISSUE NO. 16

QUESTION: Has Chesapeake properly removed all non-regulated activity in Accounts Receivable-Services from working capital?

ANSWER: The Company has looked at the most recent Historical Base Year that is representative to determine the appropriate percentage of non-regulated activity in Accounts Receivable-Services. The month of December was not chosen due to the appearance of the Citrosuco lease receivable appearing in this month, thus skewing the data.

In November 1999, based on a detailed review of the data in Accounts Receivable-Services, the percentage of non-regulated activity is 71% and regulated activity is 29%, as shown below.

	November 1999	Percentage
Non-regulated	$ 91,735	71%
Regulated	$ 37,907	29%
Total	$129,642	100%

The Company would not oppose adjusting Accounts Receivable-Services by the above-indicated percentages, which would make the Projected Test Year adjustment amount for this account to be ($105,414) for a regulated working capital amount of $43,056. This is an increase in working capital of $1,982.

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

RESPONSE TO ISSUE NO. 52

QUESTION: Should an adjustment be made to rent expense?

ANSWER: Yes. Rent Expense (Acct. 881) is understated and should be increased by $82,490 in the Projected Test Year, as shown on the attachment based on the **annualized** expense of the Citrosuco lease.

ISSUE 52

ACCOUNT 881- RENTS
ADJUSTMENT FOR CITROSUCO LEASE

Account 881	1999	2000	2001
Other Trended	$13,782	$14,127	$14,480
Not Trended-Citrosuco Lease Payment	$16,667	$100,000	$100,000
Total	$30,449	$114,127	$114,480
Account 881 per MFR's	$30,449	$31,210	$31,990
Adjustment for Account 881	$0	$82,917	$82,490

Lease Expense - 12 Months - Citrosuco $100,000

(1) Citrosuco lease expense for 1999 included in Account 881 (2 months) $16,667 (3)

(2) Adjustment for 10 months lease expense $83,333

(3) November and December 1999 Lease Expense @ $8,333 per Month

NOTE: $147,000 in Revenues was included in Special Contracts in the MFR's

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

RESPONSE TO ISSUE NO. 56

QUESTION: In response to Staff's request during the October 6, 2000 meeting, please provide information relating to appropriate A&G payroll allocations to non-utility activities.

ANSWER: Please see attachment for calculation of A&G payroll allocations to non-utility activities. The total adjustment to reduce A&G payroll and employee-related benefits for allocation to non-utility activities is ($16,284).

ISSUE NO. 56

PAYROLL ALLOCATION - NON-UTILITY
PER PAGE 177 MFR'S

13 MONTH AVERAGE

	2001
TOTAL PLANT PER MFR'S	$31,956,590
ACCUMULATED DEPRECIATION PER MFR'S	($10,612,182)
NET PLANT PER MFR'S	$21,344,408
ADD: Propane Net Plant	$422,731
	$21,767,139

	2001
Common Plant Adj.	$236,392
Net Plant - Propane	$422,731
Total Non-Utility	$659,123
% Non-utility	3.03%

	1999	2000	2001
TOTAL PAYROLL PER MFR'S	$1,720,365	$1,789,180	$1,860,747

% Allocated by Individual

	1999 Wages
Tom Geoffroy	$105,079
Jim Williams	$54,717
P. Lewellen	$29,928
Amanda Price	$32,171
Jeff Bates	$0
Jenni Smith	$23,710
Beverly Bauck	$37,299
	$282,904

	$282,904	$294,220	$305,969
Salary adjustments in 2000	$0	$75,120	$78,125
	$282,904	$369,340	$384,114
Salary plus Pension and payroll tax @ 40%	$396,066	$517,076	$537,759
LESS: Payroll Allocated based on non-utility plant %	($11,993)	($15,657)	($16,284)
Payroll adjusted for non-utility allocation	$1,708,372	$1,773,523	$1,844,463

2 03 8632943895 10/00 16:11

Question:

1. Please provide detail on how the non-utility adjustment for the 2nd floor was calculated.
2. List by account and amount all non-utility plant and show that it has been removed from rate base for 1999, 2000, and 2001.

Answer:

1. The prior rate case disallowed $38,517 of the 2nd floor. We have since occupied 38.46% of the available space for use as storage and are now eliminating $23,702 from utility plant.
2. Please refer to MFR schedule B-3 (page 13) line #3 and B-5 (page 15) lines #18, 19, & 22 for 1999.
   Please refer to MFR schedule G-1 (page 191) lines #20, 21, & 24 for 2000.
   Please refer to MFR schedule G-1 (page 180) line #4 and G-1 (page 194) lines #20, 21, and 24 for 2001.

Data Request #26

1a. Lease agreement with **The Oaks**.
   a. Monthly Payment-**$902.05**
   b. Lease Terms-**24 months from renewal date**
   c. Does lease have purchase option? **No**
   d. Describe item leased-**Office building in Plant City Florida**
   e. Will utility purchase the leased item? **No**

2a. Original copy of lease agreement.
See attached.

1b. Lease agreement with **George R. Savage**
   a. Monthly Payment-**$477.00**
   b. Lease Terms-**12 months from renewal date**
   c. Does lease have purchase option? **No**
   d. Describe item leased-**Office building in Lecanto Florida**
   e. Will utility purchase the leased item? **No**

2b. Original copy of lease agreement.
See attached.

APR 1 2 1999

Ans'd.....

COMMERCIAL LEASE AGREEMENT

This lease agreement made between *Stine Family Partnership, LTD and J.A. Miles Oil Company, Inc.*, hereinafter referred to as "lessor' or "landlord" and *Chesapeake Utilities Corporation*, hereinafter referred to as "lessee" or "tenant".

01. **DEMISE AND DESCRIPTION OF LEASEHOLD PREMISES.** The lessor hereby leases to the lessee those certain premises situated in Plant City, Florida, herein called the center, more particularly described as follows:

Approximately *800* Square feet in The Oaks, having an address of *1514 South Alexander Street, Suite #107 in Plant City, Florida 33567*.

As used herein, the term "premises" refers to the real property above described and to any improvements located thereon from time to time during the term hereof.

02. **TERM.** The initial term of this lease agreement shall be for a period of *Two (2) years, commencing on the 1st day of April, 1999 and ending on the 31st day of March, 2001* with rent being payable, in advance, on the 1st day of each and every month. Possession shall be delivered at the commencement of the term unless otherwise agreed.

03. **RENT.** The lessee shall pay to the lessor the sum of *Six Hundred eighty six and 34/100 Dollars ($686.34)*. In the event any sum due hereunder is not received by lessor within five (5) days of its due date, there shall become due a late charge of 5% of such late payment. The failure to pay the rent as required herein or to perform any other term, condition or covenant of this lease agreement for a period of fifteen (15) days, shall constitute a default hereunder and lessor shall be entitled to pursue its remedies as hereinafter provided and such overdue payments shall accrue interest at the rate of 18% per annum.

04. **SECURITY DEPOSIT.** The lessee shall pay to the lessor a security deposit in the sum of *paid w/ original lease*, which sum shall be returned to the lessee upon the expiration of the lease and upon the lessee's full and complete compliance of the terms and provisions of this lease. In the event the tenant has failed to pay any rents due hereunder, or, in the further event that the demised premises require repair, then the lessor shall have the right and authority to deduct such sums from the deposit in order to pay any deficiency in the rent or any required repairs, or both.

[redacted] 237 NE 12TH AVE
FORT LAUDERDALE-BY-THE-SEA, FL. 33308-4446 WINTER HAVEN, FLORIDA 33881

IN CONSIDERATION of the mutual covenants and conditions herein contained, Landlord leases to Tenant and Tenant leases from Landlord the property described under the following terms and conditions:

1. PREMISES. The premises consist of a STOREFRONT - WAREHOUSE of approximately 1125 (SW) square feet located at 1639 A WEST GULF-TO-LAKE HIGHWAY, LECANTO FL 34461 together with the common use with other Tenants of all parking, roads and walkways and other public areas.

2. TERM. The term of this lease shall be a period of 12 months commencing at 12:01 a.m. on MARCH 1st, 1999, and ending at midnight on FEBRUARY 28, 2000.

3. RENT. The base rent for the term of this lease shall be $ 474.00 (SW) per month, together with any sales or use tax due for the rental of the premises.

4. PAYMENT. Payments must be received by Landlord on or before the due date at the following address: ABOVE ADDRESS or such place as designated by Landlord in writing. Tenant understands that this may require early mailing. In the event a check bounces, Landlord may require cash or certified funds.

5. SECURITY. Tenant shall pay to Landlord the sum of [redacted] plus $ 450.00 as security deposit.

6. UTILITIES. The Tenant shall be responsible for all charges for electricity, gas, [redacted] or other utilities supplied to the premises, whether determined by meter or otherwise.

7. MAINTENANCE & REPAIR. The Landlord shall keep the foundation, outer walls and roof of the premises in good repair, except that Landlord shall not be liable for any repairs occasioned by the acts of Tenant, its agents or employees. Tenant shall be responsible for maintenance and repair to the inside of the premises including heating and cooling systems, electrical, plumbing, machinery hardware, doors, windows, screens and painting. All such repairs shall be made with materials and workmanship equivalent to the original. Tenant shall be responsible for extermination service to the premises.

8. ALTERATIONS. Tenant shall make no alterations or improvements to the premises without the written consent of the Landlord and any such alterations or improvements shall become the property of the Landlord unless otherwise agreed to in writing.

9. ASSIGNMENT & SUBLETTING. The Tenant shall not assign this Lease, or in any manner transfer any interest in the premises or sublet the premises or any part thereof, without the written consent of the Landlord.

10. USE. The premises shall be used only as GAS - SERVICE / SALES and shall not be used for any illegal purpose or in violation of any zoning laws or property restrictions.

11. LIABILITY. It is expressly agreed between the parties that Landlord shall not be liable for any injury or damage to property on or about the leased premises.

12. INSURANCE. Tenant shall keep in effect, for the term of this lease, a policy of liability insurance covering Tenant and Landlord against any liability arising out of any injury on or about the premises. The limit of said policy shall be $ 300,000.00 for personal injury and $ 300,000.00 for property damage.

13. FIRE OR CASUALTY. In the event the premises are partially damaged by fire or other casualty, Landlord shall repair same within ninety (90) days. In the event the premises are destroyed and untenantable the rent shall abate and Landlord may rebuild the premises within ninety (90) days or may cancel this Lease.

14. ACCESS. Landlord reserves the right to enter the premises, upon giving reasonable notice, for the purpose of inspection, repair or showing to prospective tenants or purchasers.

Data Request #42

Question:

1. Please explain the methodology used to allocate health insurance costs related to outside subsidiary employees working on Florida division projects.
2. Is the company's contribution based on employee salary or the coverage that the employee chooses?

Answer:

1. The company adjusts its health insurance allocation once a quarter based on the twelve month ended activity of where employees charged their time. Any employee charging time to a subsidiary company will have a proportionate piece of their health benefits allocated to the subsidiary.
2. The company's contribution is based on the coverage the employee chooses.

PBC

This workpaper includes Ans Req #42

PBC

Chesapeake Utilities Corporation
Rate Case Audit Dkt. No. 000108-GU
PTYE 12/31/01 Historic TYE 12/31/99

SAMPLE of Account 912 - Demo & Selling

SAMPLES

ACCOUNT 912 - DEMO & SELLING

78354	Nov-99	DAVE CALDWELL	DEMO & SELLING		$514.47		
72003	Mar-99	TOM GEOFFROY	TRAVEL - MTGS & CONF		1,143.10		
74663	Jul-99	TOM GEOFFROY	TRAVEL - MTGS & CONF		255.85		
78466	Nov-99	FL CITRUS SHWCASE	SPONSOR FOOD TENT	•	300.00	(300.00)	
78469	Nov-99	POLK CTY BLDRS	SCHOLARSHIP FUND	•	100.00	(100.00)	
78464	Nov-99	POLK CTY BLDRS	ASSOC. DUES	•	365.00	(365.00)	
78465	Nov-99	POLK CTY BLDRS	GOLF/NOV. MTG	•	550.00	(550.00)	
78467	Nov-99	POLK CTY BLDRS	GOLF FEE	•	75.00	(75.00)	
80600	Jan-99	CITRUS CTY ECO.	ADVERTISING - CONSERVATION	•	2,500.00	(2,500.00)	
76346	Sep-99	JONES PRINTING	CITY OF BONIFAY SURVEY		1,232.78		
78428	Nov-99	LAKE WALES	CHMBER COMMERCE DUES	•	300.00	(300.00)	
75399	Aug-99	JOHN MCLELLAND	TRAVEL		317.86		
75974	Aug-99	JAMES LOWE	TRAVEL		203.59		
75974	Aug-99	JAMES LOWE	RETIREMENT		301.63	(301.63)	
78427	Nov-99	PLANT CTY	CHMBER COMMERCE DUES	•	240.00	(240.00)	
			TOTAL DEMO & SELLING		$8,399.28	($3,966.63)	ADD'L ADJUSTMENT NEEI

Co made adj to Add' $10,000 out of Period to 912

4,732
(285) Mulb
(228) Plant
4,219

• AUDIT STAFF CONSIDERS THE ADD'L ADJUSTMENT AMOUNT TO BE IMMATERIAL, THEREFORE, NO FURTHER WORK ON T NECESSARY

300
100
365
550
75
70 plus cleaning costs

208 $1,460

two yrs trending X 1.025 X 1.025

$1,534 adjustment

43-5

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 5
GEOFFROY/WILLIAMS DEPOSITION

QUESTION: What is included in Account 901, $9,794, Account 920, A & G salaries, $2,000, Account 928, $3,120, Regulatory Commission Expense, and Account 932, Maintenance – General Office, $21,224? What is the rational for trending by customer growth times inflation.

ANSWER: The $9,794 for Account 901 includes $7,749 in accounts payable and $2,044 in vehicle clearing charges. The accounts payable portion in the amount of $7,749 includes phone charges of $3,903, office supplies of $652, utility charges of $614, and other miscellaneous charges of $2,580. The vehicle charges are vehicle costs that follow employees who charge time to this account. These costs are trended using customer growth times inflation because as the number of customers increase so do the related costs charged to this account. Inflation obviously impacts salaries, vehicle costs, and prices charged to the Company by vendors.

The $2,000 in Account 920, is for Associated Gas Distributor Dues. Inflation impacts this fee due to rising attorney fees associated with AGDF.

The $3,120, in Account 928, is for attorney fees paid to Ruden, McClosky & Smith for various services directly associated with the Florida Public Service Commission. Customer growth is a factor in these fees as many of the new industrial customers added to the Company's system are special contract customers that require approval from the FPSC. In addition, inflation forces attorney fees to increase over time.

The $21,224, included in Account 932, Maintenance General Office, includes building cleaning expenses of $6,996, lawn care expenses of $2,580, maintenance fees of $2,637, and other miscellaneous fees for repairs, security, cleaning products, pest control, etc. in the amount of $9,011. Customer growth is a factor in trending these costs because more customers create more traffic in the office that increases the maintenance and repair of the facilities. There is also more space in the building available for customers, more chairs, etc. due to this increase in customer growth. Inflation affects our vendors which increase their fees to the Company and is an obvious factor in trending for the year 2001.

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 8
GEOFFROY/WILLIAMS DEPOSITION

QUESTION: Provide an explanation of the following amounts shown in Audit workpaper 43-5 and indicate whether included in or removed from the Projected Test Year and if so how they relate to regulated business. Account 912 $2,500 advertising conservation, $302 Jim Lowe retirement, $204 Travel Jim Lowe, $300 FL Citrus Showcase, $1,090 Polk County Builders.

ANSWER: Citrus County Economic Development in the amount of $2,500 was for 1,000 compact discs that explain the conservation program. This entry should be adjusted to the conservation balance sheet account.

The James Lowe –Retirement- $302 includes: $232 in cell phone bills, a business expense, and $70 in cleaning expenses related to an employee retirement party held at Mr. Lowe's home. With the possible exception of the $70 in cleaning fees, Mr. Lowe's expenses should all be allowable costs.

The James Lowe – Travel- entry of $204 is for business travel expenses for the FNGA conference.

The Florida Citrus Showcase is a gathering of various industries in the Polk County area. Various exhibits are displayed and events scheduled. The Florida Division sponsored a portion of the food service for this event in the amount of $300. This should be an allowable cost. Most if not all of the attendees at this function are customers of the Florida Division and our participation is critical in maintaining a professional business relationship and presence with the business community.

For the Polk County Builders Association, $100 was contributed to the scholarship fund, $365 was paid for dues to the association, $550 was contributed as a sponsor for their annual golf event, and $75 was paid for one player to participate in the golf event. The Polk County Builders Association is one of the key targets for our sales programs. Building and maintaining this relationship is key to meeting our annual growth targets.

Central Florida Gas
Allocation Calculation

Company	Account	Description	Percent	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Total
CUC	4081	Payroll Related Taxes		7,701	7,684	12,254	9,100	7,181	6,321	8,595	6,839	5,914	6,379	5,080	14,319	99,367
CFG	4081	Payroll Related Taxes	18.000%	1,386	1,383	2,206	1,638	1,293	1,138	1,547	1,231	1,065	1,508	914	2,577	17,886
CIT	4081	Payroll Related Taxes	14.000%	1,078	1,076	1,716	1,274	1,005	885	1,203	957	828	1,173	711	2,005	13,911
DEL	4081	Payroll Related Taxes	26.000%	2,002	1,998	3,186	2,366	1,867	1,643	2,235	1,778	1,538	2,179	1,321	3,723	25,835
ESN	4081	Payroll Related Taxes	24.000%	1,848	1,844	2,941	2,184	1,723	1,517	2,063	1,641	1,419	2,011	1,219	3,437	23,848
SHG	4081	Payroll Related Taxes	18.000%	1,386	1,383	2,206	1,638	1,293	1,138	1,547	1,231	1,065	1,508	914	2,577	17,886
CUC	4084	Other Taxes		6,000	2,120	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	68,120
CFG	4084	Other Taxes	18.000%	1,080	382	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	12,262
CIT	4084	Other Taxes	14.000%	840	297	840	840	840	840	840	840	840	840	840	840	9,537
DEL	4084	Other Taxes	26.000%	1,560	551	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	17,711
ESN	4084	Other Taxes	24.000%	1,440	509	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	16,349
SHG	4084	Other Taxes	18.000%	1,080	382	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	12,262
CUC	419	Interest Income		(4,101)	(4,249)	(8,341)	(8,616)	(11,364)	(11,295)	(9,159)	(4,477)	(6,634)	(7,965)	(5,531)	(8,960)	(90,692)
CBD	419	Interest Income	0.100%	(4)	(4)	(8)	(9)	(11)	(11)	(9)	(4)	(7)	(8)	(6)	(9)	(91)
CFG	419	Interest Income	17.150%	(703)	(729)	(1,430)	(1,478)	(1,949)	(1,937)	(1,571)	(768)	(1,138)	(1,366)	(949)	(1,537)	(15,554)
CIT	419	Interest Income	13.970%	(573)	(594)	(1,165)	(1,204)	(1,588)	(1,578)	(1,280)	(625)	(927)	(1,113)	(773)	(1,252)	(12,670)
DEL	419	Interest Income	26.460%	(1,085)	(1,124)	(2,207)	(2,280)	(3,007)	(2,989)	(2,423)	(1,185)	(1,755)	(2,108)	(1,464)	(2,371)	(23,997)
ESN	419	Interest Income	18.830%	(772)	(800)	(1,571)	(1,622)	(2,140)	(2,127)	(1,725)	(843)	(1,249)	(1,500)	(1,041)	(1,687)	(17,077)
MPD	419	Interest Income	0.030%	(1)	(1)	(3)	(3)	(3)	(3)	(3)	(1)	(2)	(2)	(2)	(3)	(27)
SHG	8000201	Interest Income	18.800%	(771)	(799)	(1,568)	(1,620)	(2,136)	(2,123)	(1,722)	(842)	(1,247)	(1,497)	(1,040)	(1,684)	(17,050)
SKP	419	Interest Income	4.660%	(191)	(198)	(389)	(402)	(530)	(526)	(427)	(209)	(309)	(371)	(258)	(418)	(4,226)
CUC	9174	DP Cost General		37,481	19,482	26,476	18,539	18,518	23,315	23,781	33,694	25,819	27,155	19,563	34,895	308,718
CBD	92120	Data Processing Costs	0.180%	67	35	48	33	33	42	43	61	46	49	35	63	556
CFG	92120	Data Processing Costs	17.700%	6,634	3,448	4,686	3,281	3,278	4,127	4,209	5,964	4,570	4,806	3,463	6,176	54,643
CIT	92120	Data Processing Costs	18.980%	7,114	3,698	5,025	3,519	3,515	4,425	4,514	6,395	4,900	5,154	3,713	6,623	58,595
CUC	92120	Data Processing Costs	1.610%	603	314	426	298	298	375	383	542	416	437	315	562	4,970
DEL	92120	Data Processing Costs	32.870%	12,320	6,404	8,703	6,094	6,087	7,664	7,817	11,075	8,487	8,926	6,430	11,470	101,476
ESN	92120	Data Processing Costs	2.410%	903	470	638	447	446	562	573	812	622	654	471	841	7,440
MPD	92120	Data Processing Costs	0.140%	52	27	37	26	26	33	33	47	36	38	27	49	432
PES	92120	Data Processing Costs	0.170%	64	33	45	32	31	40	40	57	44	46	33	59	525
SHG	7904004	Data Processing Costs	25.290%	9,479	4,927	6,696	4,689	4,683	5,896	6,014	8,521	6,530	6,867	4,947	8,825	78,075
USI	40290	Data Processing Costs	0.650%	244	127	172	121	120	152	155	219	168	177	127	227	2,007
CUC	9176	DP Costs NG Only		16,568	14,725	24,872	19,032	20,908	10,534	22,194	12,379	15,933	14,040	9,808	14,905	195,898
CFG	90301	Computer Costs	24.700%	4,092	3,637	6,143	4,701	5,164	2,602	5,482	3,058	3,935	3,468	2,423	3,682	48,387
CIT	90301	Computer Costs	26.470%	4,386	3,898	6,584	5,038	5,534	2,788	5,875	3,277	4,217	3,716	2,596	3,945	51,854
DEL	90301	Computer Costs	48.830%	8,090	7,190	12,145	9,293	10,209	5,144	10,837	6,045	7,780	6,856	4,789	7,278	95,657
CUC	9177	DP-LAN&PC Support		6,173	6,475	7,413	5,396	5,721	9,740	10,299	8,712	6,884	12,792	7,809	10,423	97,637
CFG	92120	Data Processing Costs	5.050%	312	327	374	272	289	492	520	440	338	646	394	526	4,931
CIT	92120	Data Processing Costs	14.140%	873	916	1,048	763	809	1,377	1,456	1,232	945	1,809	1,104	1,474	13,806
CUC	92120	Data Processing Costs	17.630%	1,088	1,142	1,307	951	1,009	1,717	1,816	1,536	1,178	2,255	1,377	1,838	17,213
CUC	9174	Data Processing Costs	14.610%	902	946	1,083	788	836	1,423	1,505	1,273	977	1,869	1,141	1,523	14,265
DEL	92120	Data Processing Costs	18.210%	1,124	1,179	1,350	983	1,042	1,774	1,875	1,586	1,217	2,329	1,422	1,898	17,780
ESN	92120	Data Processing Costs	18.030%	1,113	1,167	1,337	973	1,031	1,756	1,857	1,571	1,205	2,306	1,408	1,879	17,604
PES	92120	Data Processing Costs	0.020%	1	1	1	1	1	2	2	2	1	3	2	2	20
SHG	7904004	Data Processing Costs	11.020%	680	714	817	595	630	1,073	1,135	960	737	1,410	861	1,149	10,760
USI	40290	Data Processing Costs	1.290%	80	84	96	70	74	126	133	112	86	165	101	134	1,260

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Central Florida Gas
Allocation Calculation

Company	Account	Description	Percent	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Total
CUC	9178	DP Costs - FIS Only		4,996	4,824	8,442	8,870	5,298	5,493	5,493	5,493	5,493	5,703	5,744	6,316	72,165
CBD	92120	Data Processing Costs	1.210%	60	58	102	107	64	66	66	66	66	69	70	76	873
CFG	92120	Data Processing Costs	17.510%	875	845	1,478	1,553	928	962	962	962	962	999	1,006	1,106	12,636
CIT	92120	Data Processing Costs	15.910%	795	767	1,343	1,411	843	874	874	874	874	907	914	1,005	11,481
DEL	92120	Data Processing Costs	17.770%	888	857	1,500	1,576	941	976	976	976	976	1,013	1,021	1,122	12,824
ESN	92120	Data Processing Costs	10.040%	502	484	848	891	532	551	551	551	551	573	577	634	7,245
MPD	92120	Data Processing Costs	0.950%	47	46	80	84	50	52	52	52	52	54	55	60	686
PES	92120	Data Processing Costs	1.120%	56	54	95	99	59	62	62	62	62	64	64	71	808
SHG	7904004	Data Processing Costs	31.560%	1,577	1,522	2,664	2,799	1,672	1,734	1,734	1,734	1,734	1,800	1,813	1,993	22,775
USI	40290	Data Processing Costs	3.930%	196	190	332	349	208	216	216	216	216	224	226	248	2,836
CUC	9179	DP-Platinum Financial System		0	0	0	0	0	0	0	0	0	0	0	23,174	23,174
CBD	92120	Data Processing Costs	1.210%	0	0	0	0	0	0	0	0	0	0	0	280	280
CFG	92120	Data Processing Costs	17.510%	0	0	0	0	0	0	0	0	0	0	0	4,058	4,058
CIT	92120	Data Processing Costs	15.910%	0	0	0	0	0	0	0	0	0	0	0	3,687	3,687
DEL	92120	Data Processing Costs	17.770%	0	0	0	0	0	0	0	0	0	0	0	4,118	4,118
ESN	92120	Data Processing Costs	10.040%	0	0	0	0	0	0	0	0	0	0	0	2,327	2,327
MPD	92120	Data Processing Costs	0.950%	0	0	0	0	0	0	0	0	0	0	0	220	220
PES	92120	Data Processing Costs	1.120%	0	0	0	0	0	0	0	0	0	0	0	260	260
SHG	7904004	Data Processing Costs	31.560%	0	0	0	0	0	0	0	0	0	0	0	7,314	7,314
USI	40290	Data Processing Costs	3.930%	0	0	0	0	0	0	0	0	0	0	0	911	911
CUC	917PC	Personal Computer Clearing		4,338	5,106	5,105	5,267	5,311	5,449	5,449	7,273	7,968	8,209	7,553	8,663	75,691
CFG	92120	Data Processing Costs	2.170%	94	111	111	114	115	118	118	158	173	178	164	188	1,642
CIT	92120	Data Processing Costs	16.970%	736	866	866	894	901	925	925	1,234	1,352	1,393	1,282	1,470	12,845
CUC	92120	Data Processing Costs	17.720%	769	905	905	933	941	966	966	1,289	1,412	1,455	1,336	1,535	13,412
DEL	92120	Data Processing Costs	18.560%	805	948	947	978	986	1,011	1,011	1,350	1,479	1,524	1,402	1,608	14,048
ESN	92120	Data Processing Costs	7.120%	309	364	363	375	378	388	388	518	567	584	538	617	5,389
SHG	92120	Data Processing Costs	36.220%	1,571	1,849	1,849	1,908	1,924	1,974	1,974	2,634	2,886	2,973	2,736	3,138	27,415
TOL	92120	Data Processing Costs	0.420%	18	21	21	22	22	23	23	31	33	34	32	36	318
USI	92120	Data Processing Costs	0.820%	36	42	42	43	44	45	45	60	65	67	62	71	621
CUC	917PHN	IT - Phone System		0	0	0	0	0	0	0	0	0	0	0	19,581	19,581
CFG	92150	Telephone Expense	1.400%	0	0	0	0	0	0	0	0	0	0	0	274	274
CIT	92150	Telephone Expense	24.300%	0	0	0	0	0	0	0	0	0	0	0	4,758	4,758
CUC	92150	Telephone Expense	13.400%	0	0	0	0	0	0	0	0	0	0	0	2,624	2,624
DEL	92150	Telephone Expense	27.100%	0	0	0	0	0	0	0	0	0	0	0	5,306	5,306
ESN	92150	Telephone Expense	18.900%	0	0	0	0	0	0	0	0	0	0	0	3,701	3,701
SHG	92150	Telephone Expense	14.900%	0	0	0	0	0	0	0	0	0	0	0	2,918	2,918
CUC	917PR	DP-Ultimate Payroll		0	0	0	0	0	0	0	0	0	0	0	9,600	9,600
CBD	92120	Data Processing Costs	1.210%	0	0	0	0	0	0	0	0	0	0	0	116	116
CFG	92120	Data Processing Costs	17.510%	0	0	0	0	0	0	0	0	0	0	0	1,681	1,681
CIT	92120	Data Processing Costs	15.910%	0	0	0	0	0	0	0	0	0	0	0	1,527	1,527
DEL	92120	Data Processing Costs	17.770%	0	0	0	0	0	0	0	0	0	0	0	1,706	1,706
ESN	92120	Data Processing Costs	10.040%	0	0	0	0	0	0	0	0	0	0	0	964	964
MPD	92120	Data Processing Costs	0.950%	0	0	0	0	0	0	0	0	0	0	0	91	91
PES	92120	Data Processing Costs	1.120%	0	0	0	0	0	0	0	0	0	0	0	108	108
SHG	7904004	Data Processing Costs	31.560%	0	0	0	0	0	0	0	0	0	0	0	3,030	3,030
USI	40290	Data Processing Costs	3.930%	0	0	0	0	0	0	0	0	0	0	0	377	377

Central Florida Gas
Allocation Calculation

Company	Account	Description	Percent	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Total
CUC	920	Admin & General Salaries		63,647	78,899	124,450	46,806	78,418	68,764	96,846	93,414	92,577	88,345	83,327	34,356	969,849
CFG	920	Admin & General Salaries	18.000%	11,456	14,202	22,401	8,425	14,115	15,978	17,432	16,815	16,664	15,902	14,999	6,184	174,573
CIT	920	Admin & General Salaries	14.000%	8,911	11,046	17,423	6,553	10,979	12,427	13,558	13,078	12,961	12,368	11,666	4,810	135,779
DEL	920	Admin & General Salaries	26.000%	16,548	20,514	32,357	12,170	20,389	23,079	25,180	24,288	24,070	22,970	21,665	8,933	252,161
ESN	920	Admin & General Salaries	24.000%	15,275	18,936	29,868	11,233	18,820	21,303	23,243	22,419	22,218	21,203	19,998	8,245	232,764
SHG	920	Admin & General Salaries	18.000%	11,456	14,202	22,401	8,425	14,115	15,978	17,432	16,815	16,664	15,902	14,999	6,184	174,573
CUC	92110	PC Repairs & Software		216	16	13	0	0	497	28	0	125	0	313	631	1,839
CFG	92110	PC Repairs & Software	18.000%	39	3	2	0	0	89	5	0	23	0	56	114	331
CIT	92110	PC Repairs & Software	14.000%	30	2	2	0	0	70	4	0	18	0	44	88	257
DEL	92110	PC Repairs & Software	26.000%	56	4	3	0	0	129	7	0	33	0	81	164	478
ESN	92110	PC Repairs & Software	24.000%	52	4	3	0	0	119	7	0	30	0	75	151	441
SHG	92110	PC Repairs & Software	18.000%	39	3	2	0	0	89	5	0	23	0	56	114	331
CUC	92115	Utility Expense		1,196	1,311	1,094	988	958	1,327	1,255	2,588	1,783	1,597	1,182	1,804	17,083
CFG	92115	Utility Expense	18.000%	215	236	197	178	172	239	226	466	321	287	213	325	3,075
CIT	92115	Utility Expense	14.000%	167	184	153	138	134	186	176	362	250	224	165	253	2,392
DEL	92115	Utility Expense	26.000%	311	341	284	257	249	345	326	673	464	415	307	469	4,442
ESN	92115	Utility Expense	24.000%	287	315	263	237	230	318	301	621	428	383	284	433	4,100
SHG	92115	Utility Expense	18.000%	215	236	197	178	172	239	226	466	321	287	213	325	3,075
CUC	92120	Data Processing Costs		1,088	1,142	1,307	951	1,009	1,717	1,816	1,536	1,178	2,255	1,377	1,838	17,214
CFG	92120	Data Processing Costs	18.000%	196	206	235	171	182	309	327	276	212	406	248	331	3,099
CIT	92120	Data Processing Costs	14.000%	152	160	183	133	141	240	254	215	165	316	193	257	2,410
DEL	92120	Data Processing Costs	26.000%	283	297	340	247	262	446	472	399	306	586	358	478	4,476
ESN	92120	Data Processing Costs	24.000%	261	274	314	228	242	412	436	369	283	541	330	441	4,131
SHG	92120	Data Processing Costs	18.000%	196	206	235	171	182	309	327	276	212	406	248	331	3,099
CUC	92130	Subscriptions		2,528	374	1,712	414	984	5,033	2,604	2,004	69	927	1,283	404	18,336
CFG	92130	Subscriptions	18.000%	455	67	308	75	177	906	469	361	12	167	231	73	3,300
CIT	92130	Subscriptions	14.000%	354	52	240	58	138	705	365	281	10	130	180	57	2,567
DEL	92130	Subscriptions	26.000%	657	97	445	108	256	1,309	677	521	18	241	334	105	4,767
ESN	92130	Subscriptions	24.000%	607	90	411	99	236	1,208	625	481	17	222	308	97	4,401
SHG	92130	Subscriptions	18.000%	455	67	308	75	177	906	469	361	12	167	231	73	3,300
CUC	92140	Janitorial		625	529	117	1,115	647	21	1,237	121	1	1,656	107	1,124	7,300
CFG	92140	Janitorial	18.000%	113	95	21	201	116	4	223	22	0	298	19	202	1,314
CIT	92140	Janitorial	14.000%	88	74	16	156	91	3	173	17	0	232	15	157	1,022
DEL	92140	Janitorial	26.000%	163	138	30	290	168	5	322	31	0	431	28	292	1,898
ESN	92140	Janitorial	24.000%	150	127	28	268	155	5	297	29	0	397	26	270	1,752
SHG	92140	Janitorial	18.000%	113	95	21	201	116	4	223	22	0	298	19	202	1,314
CUC	92150	Telephone Expense		1,269	1,225	7,436	2,320	2,055	1,631	3,987	4,067	2,659	2,612	2,852	2,914	35,027
CFG	92150	Telephone Expense	18.000%	228	221	1,338	418	370	294	718	732	479	470	513	525	6,305
CIT	92150	Telephone Expense	14.000%	178	172	1,041	325	288	228	558	569	372	366	399	408	4,904
DEL	92150	Telephone Expense	26.000%	330	319	1,933	603	534	424	1,037	1,057	691	679	742	758	9,107
ESN	92150	Telephone Expense	24.000%	305	294	1,785	557	493	391	957	976	638	627	684	699	8,406
SHG	92150	Telephone Expense	18.000%	228	221	1,338	418	370	294	718	732	479	470	513	525	6,305

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Central Florida Gas
Allocation Calculation

Company	Account	Description		Percent	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Total
CUC	92160	Memberships & Dues			3,495	125	599	15	692	640	2,087	1,161	265	512	350	1,348	11,289
CFG	92160	Memberships & Dues		18.000%	629	23	108	3	125	115	376	209	48	92	63	243	2,032
CIT	92160	Memberships & Dues	✓	14.000%	489	18	84	2	97	90	292	163	37	72	49	189	1,580
DEL	92160	Memberships & Dues		26.000%	909	33	156	4	180	166	543	302	69	133	91	350	2,935
ESN	92160	Memberships & Dues		24.000%	839	30	144	4	166	154	501	279	64	123	84	324	2,709
SHG	92160	Memberships & Dues		18.000%	629	23	108	3	125	115	376	209	48	92	63	243	2,032
CUC	92170	Office Supplies			10,696	6,874	12,745	8,516	6,680	4,747	28,436	9,097	7,592	4,519	8,175	43,182	151,261
CFG	92170	Office Supplies		18.000%	1,925	1,237	2,294	1,533	1,202	854	5,119	1,637	1,367	813	1,472	7,773	27,227
CIT	92170	Office Supplies	✓	14.000%	1,497	962	1,784	1,192	935	665	3,981	1,274	1,063	633	1,145	6,045	21,177
DEL	92170	Office Supplies		26.000%	2,781	1,787	3,314	2,214	1,737	1,234	7,394	2,365	1,974	1,175	2,126	11,227	39,328
ESN	92170	Office Supplies		24.000%	2,567	1,650	3,059	2,044	1,603	1,139	6,825	2,183	1,822	1,085	1,962	10,364	36,303
SHG	92170	Office Supplies		18.000%	1,925	1,237	2,294	1,533	1,202	854	5,119	1,637	1,367	813	1,472	7,773	27,227
CUC	92175	Bank Services			4,017	3,944	7,667	5,808	4,206	4,964	5,615	3,758	7,306	3,997	4,118	8,096	61,496
CFG	92175	Bank Services		18.000%	723	710	1,380	1,045	757	894	1,011	676	1,315	719	741	1,097	11,069
CIT	92175	Bank Services	✓	14.000%	562	552	1,073	813	589	695	786	526	1,023	560	577	853	8,609
DEL	92175	Bank Services		26.000%	1,044	1,025	1,993	1,510	1,094	1,291	1,460	977	1,900	1,039	1,071	1,585	15,989
ESN	92175	Bank Services		24.000%	964	947	1,840	1,394	1,009	1,191	1,348	902	1,753	959	988	1,463	14,759
SHG	92175	Bank Services		18.000%	723	710	1,380	1,045	757	894	1,011	676	1,315	719	741	1,097	11,069
CUC	92180	Seminars	✓		0	103	307	19	253	1,483	28	899	2,010	936	177	262	6,477
CFG	92180	Seminars		18.000%	0	19	55	3	46	267	5	162	362	168	32	47	1,166
CIT	92180	Seminars		14.000%	0	14	43	3	35	208	4	126	281	131	25	37	907
DEL	92180	Seminars		26.000%	0	27	80	5	66	386	7	234	523	243	46	68	1,684
ESN	92180	Seminars		24.000%	0	25	74	5	61	356	7	216	482	225	42	63	1,554
SHG	92180	Seminars		18.000%	0	19	55	3	46	267	5	162	362	168	32	47	1,166
CUC	92185	Meals			583	1,095	2,213	709	1,850	641	2,048	1,023	823	1,143	1,363	1,138	14,629
CFG	92185	Meals		18.000%	105	197	398	128	333	115	369	184	148	206	245	205	2,633
CIT	92185	Meals	✓	14.000%	82	153	310	99	259	90	287	143	115	160	191	159	2,048
DEL	92185	Meals		26.000%	152	285	575	184	481	167	532	266	214	297	354	296	3,804
ESN	92185	Meals		24.000%	140	263	531	170	444	154	492	246	198	274	327	273	3,511
SHG	92185	Meals		18.000%	105	197	398	128	333	115	369	184	148	206	245	205	2,633
CUC	92190	Travel			1,918	4,786	2,496	3,664	4,821	4,466	4,021	3,147	3,733	5,461	9,570	11,958	60,041
CFG	92190	Travel		18.000%	345	861	449	660	868	804	724	566	672	983	1,723	2,152	10,807
CIT	92190	Travel	✓	14.000%	269	670	349	513	675	625	563	441	523	765	1,340	1,674	8,406
DEL	92190	Travel		26.000%	499	1,244	649	953	1,253	1,161	1,045	818	971	1,420	2,488	3,109	15,611
ESN	92190	Travel		24.000%	460	1,149	599	879	1,157	1,072	965	755	896	1,311	2,297	2,870	14,410
SHG	92190	Travel		18.000%	345	861	449	660	868	804	724	566	672	983	1,723	2,152	10,807
CUC	92195	Entertainment	✓		0	0	0	0	0	0	0	0	0	30	0	0	30
CFG	92195	Entertainment		18.000%	0	0	0	0	0	0	0	0	0	5	0	0	5
CIT	92195	Entertainment		14.000%	0	0	0	0	0	0	0	0	0	4	0	0	4
DEL	92195	Entertainment		26.000%	0	0	0	0	0	0	0	0	0	8	0	0	8
ESN	92195	Entertainment		24.000%	0	0	0	0	0	0	0	0	0	7	0	0	7
SHG	92195	Entertainment		18.000%	0	0	0	0	0	0	0	0	0	5	0	0	5

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Company	Account	Description	Percent	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Total
CUC	92310	Outside Services-Legal		15,393	15,121	15,422	15,474	15,000	228,055	28,047	15,000	15,000	15,216	15,280	15,027	408,035
CFG	92310	Outside Services-Legal	18.000%	2,771	2,722	2,776	2,785	2,700	41,050	5,048	2,700	2,700	2,739	2,750	2,705	73,446
CIT	92310	Outside Services-Legal	14.000%	2,155	2,117	2,159	2,166	2,100	31,928	3,927	2,100	2,100	2,130	2,139	2,104	57,125
DEL	92310	Outside Services-Legal	26.000%	4,002	3,931	4,010	4,023	3,900	59,294	7,292	3,900	3,900	3,956	3,973	3,907	106,089
ESN	92310	Outside Services-Legal	24.000%	3,694	3,629	3,701	3,714	3,600	54,733	6,731	3,600	3,600	3,652	3,667	3,606	97,928
SHG	92310	Outside Services-Legal	18.000%	2,771	2,722	2,776	2,785	2,700	41,050	5,048	2,700	2,700	2,739	2,750	2,705	73,446
CUC	92320	Outside Services-Audit		600	600	600	600	200	200	200	200	200	200	200	200	4,000
CFG	92320	Outside Services-Audit	18.000%	108	108	108	108	36	36	36	36	36	36	36	36	720
CIT	92320	Outside Services-Audit	14.000%	84	84	84	84	28	28	28	28	28	28	28	28	560
DEL	92320	Outside Services-Audit	26.000%	156	156	156	156	52	52	52	52	52	52	52	52	1,040
ESN	92320	Outside Services-Audit	24.000%	144	144	144	144	48	48	48	48	48	48	48	48	960
SHG	92320	Outside Services-Audit	18.000%	108	108	108	108	36	36	36	36	36	36	36	36	720
CUC	92340	Outside Services-Other		16,944	3,748	11,670	44,167	19,049	4,920	11,944	13,217	6,667	10,479	9,549	14,715	167,069
CFG	92340	Outside Services-Other	18.000%	3,050	675	2,101	7,950	3,429	886	2,150	2,379	1,200	1,886	1,719	2,649	30,072
CIT	92340	Outside Services-Other	14.000%	2,372	525	1,634	6,183	2,667	689	1,672	1,850	933	1,467	1,337	2,060	23,390
DEL	92340	Outside Services-Other	26.000%	4,405	974	3,034	11,483	4,953	1,279	3,105	3,436	1,733	2,725	2,483	3,826	43,438
ESN	92340	Outside Services-Other	24.000%	4,067	900	2,801	10,600	4,572	1,181	2,867	3,172	1,600	2,515	2,292	3,532	40,097
SHG	92340	Outside Services-Other	18.000%	3,050	675	2,101	7,950	3,429	886	2,150	2,379	1,200	1,886	1,719	2,649	30,072
CUC	92350	Outside Services-HR		755	1,855	840	3,571	3,177	4,398	2,425	9,161	5,179	25,639	10,014	31,072	98,086
CFG	92350	Outside Services-HR	18.000%	136	334	151	643	572	792	437	1,649	932	4,615	1,803	5,593	17,655
CIT	92350	Outside Services-HR	14.000%	106	260	118	500	445	616	340	1,283	725	3,589	1,402	4,350	13,732
DEL	92350	Outside Services-HR	26.000%	196	482	218	928	826	1,143	631	2,382	1,347	6,666	2,604	8,079	25,502
ESN	92350	Outside Services-HR	24.000%	181	445	202	857	762	1,056	582	2,199	1,243	6,153	2,403	7,457	23,541
SHG	92350	Outside Services-HR	18.000%	136	334	151	643	572	792	437	1,649	932	4,615	1,803	5,593	17,655
CUC	92401	Property Insurance		758	758	758	758	758	758	763	761	761	(1,036)	401	401	6,599
CFG	92401	Property Insurance	18.000%	136	136	136	136	136	136	137	137	137	(186)	72	72	1,188
CIT	92401	Property Insurance	14.000%	106	106	106	106	106	106	107	107	107	(145)	56	56	924
DEL	92401	Property Insurance	26.000%	197	197	197	197	197	197	198	198	198	(269)	104	104	1,716
ESN	92401	Property Insurance	24.000%	182	182	182	182	182	182	183	183	183	(249)	96	96	1,584
SHG	92401	Property Insurance	18.000%	136	136	136	136	136	136	137	137	137	(186)	72	72	1,188
CUC	92403	Comprehensive Crime		121	121	121	121	121	121	121	121	121	121	1	(604)	607
CFG	92403	Comprehensive Crime	18.000%	22	22	22	22	22	22	22	22	22	22	0	(109)	109
CIT	92403	Comprehensive Crime	14.000%	17	17	17	17	17	17	17	17	17	17	0	(85)	85
DEL	92403	Comprehensive Crime	26.000%	31	31	31	31	31	31	31	31	31	31	0	(157)	158
ESN	92403	Comprehensive Crime	24.000%	29	29	29	29	29	29	29	29	29	29	0	(145)	146
SHG	92403	Comprehensive Crime	18.000%	22	22	22	22	22	22	22	22	22	22	0	(109)	109
CUC	92504	Auto Liability		45	45	45	45	45	45	164	63	73	63	63	63	749
CFG	92504	Auto Liability	18.000%	8	8	8	8	8	8	28	11	13	11	11	11	135
CIT	92504	Auto Liability	14.000%	6	6	6	6	6	6	22	9	10	9	9	9	105
DEL	92504	Auto Liability	26.000%	12	12	12	12	12	12	40	16	19	16	16	16	195
ESN	92504	Auto Liability	24.000%	11	11	11	11	11	11	37	15	18	15	15	15	180
SHG	92504	Auto Liability	18.000%	8	8	8	8	8	8	28	11	13	11	11	11	135

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Company	Account	Description	Percent	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Total
CUC	92505	Workman's Comp		203	203	203	464	464	464	750	500	104	(35)	306	306	3,932
CFG	92505	Workman's Comp	18.000%	37	37	37	84	84	84	135	90	19	(6)	55	55	708
CIT	92505	Workman's Comp	14.000%	28	28	28	65	65	65	105	70	15	(5)	43	43	550
DEL	92505	Workman's Comp	26.000%	53	53	53	121	121	121	195	130	27	(9)	80	80	1,022
ESN	92505	Workman's Comp	24.000%	49	49	49	111	111	111	180	120	25	(8)	73	73	944
SHG	92505	Workman's Comp	18.000%	37	37	37	84	84	84	135	90	19	(6)	55	55	708
CUC	92507	Drug Testing		125	125	0	375	125	125	0	0	0	250	125	238	1,488
CFG	92507	Drug Testing	18.000%	23	23	0	68	23	23	0	0	0	45	23	43	268
CIT	92507	Drug Testing	14.000%	18	18	0	53	18	18	0	0	0	35	18	33	208
DEL	92507	Drug Testing	26.000%	33	33	0	98	33	33	0	0	0	65	33	62	387
ESN	92507	Drug Testing	24.000%	30	30	0	90	30	30	0	0	0	60	30	57	357
SHG	92507	Drug Testing	18.000%	23	23	0	68	23	23	0	0	0	45	23	43	268
CUC	92508	Fiduciary Liability		32	32	32	32	32	32	95	64	64	64	64	64	607
CFG	92508	Fiduciary Liability	18.000%	6	6	6	6	6	6	17	12	12	12	12	12	109
CIT	92508	Fiduciary Liability	14.000%	4	4	4	4	4	4	13	9	9	9	9	9	85
DEL	92508	Fiduciary Liability	26.000%	8	8	8	8	8	8	25	17	17	17	17	17	158
ESN	92508	Fiduciary Liability	24.000%	8	8	8	8	8	8	23	15	15	15	15	15	146
SHG	92508	Fiduciary Liability	18.000%	6	6	6	6	6	6	17	12	12	12	12	12	109
CUC	92509	Other Injuries & Damages		4	2	304	13	245	88	26	47	257	10,569	507	102	12,164
CFG	92509	Other Injuries & Damages	18.000%	1	0	55	2	44	16	5	8	46	1,902	91	18	2,190
CIT	92509	Other Injuries & Damages	14.000%	1	0	43	2	34	12	4	7	36	1,480	71	14	1,703
DEL	92509	Other Injuries & Damages	26.000%	1	1	79	3	64	23	7	12	67	2,748	132	27	3,163
ESN	92509	Other Injuries & Damages	24.000%	1	0	73	3	59	21	6	11	62	2,537	122	24	2,919
SHG	92509	Other Injuries & Damages	18.000%	1	0	55	2	44	16	5	8	46	1,902	91	18	2,190
CUC	92510	Employment Practices Liability		305	305	305	305	305	305	305	305	305	305	1	(1,528)	1,523
CFG	92510	Employment Practices Liability	18.000%	55	55	55	55	55	55	55	55	55	55	0	(275)	274
CIT	92510	Employment Practices Liability	14.000%	43	43	43	43	43	43	43	43	43	43	0	(214)	213
DEL	92510	Employment Practices Liability	26.000%	79	79	79	79	79	79	79	79	79	79	0	(397)	396
ESN	92510	Employment Practices Liability	24.000%	73	73	73	73	73	73	73	73	73	73	0	(367)	366
SHG	92510	Employment Practices Liability	18.000%	55	55	55	55	55	55	55	55	55	55	0	(275)	274
CUC	92601	Claims Reserve		4,687	4,643	4,583	4,525	4,505	4,590	4,674	4,796	4,796	4,874	4,874	1,425	52,972
CFG	92601	Claims Reserve	18.000%	844	836	825	815	811	826	841	863	863	877	877	257	9,535
CIT	92601	Claims Reserve	14.000%	656	650	642	634	631	643	654	671	671	682	682	200	7,418
DEL	92601	Claims Reserve	26.000%	1,219	1,207	1,192	1,177	1,171	1,193	1,215	1,247	1,247	1,267	1,267	371	13,773
ESN	92601	Claims Reserve	24.000%	1,125	1,114	1,100	1,086	1,081	1,102	1,122	1,151	1,151	1,170	1,170	342	12,713
SHG	92601	Claims Reserve	18.000%	844	836	825	815	811	826	841	863	863	877	877	257	9,535
CUC	926011	Hartford AD&D		70	54	54	54	54	56	57	55	59	59	59	59	690
CFG	926011	Hartford AD&D	18.000%	13	10	10	10	10	10	10	10	11	11	11	11	124
CIT	926011	Hartford AD&D	14.000%	10	8	8	8	8	8	8	8	8	8	8	8	97
DEL	926011	Hartford AD&D	26.000%	18	14	14	14	14	15	15	14	15	15	15	15	179
ESN	926011	Hartford AD&D	24.000%	17	13	13	13	13	13	14	13	14	14	14	14	166
SHG	926011	Hartford AD&D	18.000%	13	10	10	10	10	10	10	10	11	11	11	11	124

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Company	Account	Description	Percent	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Total
CUC	926012	Education Reimbursement		407	250	83	18	314	21	139	7	7	24	0	1,618	2,888
CFG	926012	Education Reimbursement	18.000%	73	45	15	3	57	4	25	1	1	4	0	291	520
CIT	926012	Education Reimbursement	14.000%	57	35	12	3	44	3	19	1	1	3	0	227	404
DEL	926012	Education Reimbursement	26.000%	106	65	22	5	82	5	36	2	2	6	0	421	751
ESN	926012	Education Reimbursement	24.000%	98	60	20	4	75	5	33	2	2	6	0	388	693
SHG	926012	Education Reimbursement	18.000%	73	45	15	3	57	4	25	1	1	4	0	291	520
CUC	926013	Payroll Withholding		(1,526)	(1,739)	(1,682)	(2,114)	(1,664)	(1,649)	(1,858)	(1,826)	(1,827)	(2,329)	(1,816)	4,407	(15,623)
CFG	926013	Payroll Withholding	18.000%	(275)	(313)	(303)	(381)	(300)	(297)	(334)	(329)	(329)	(419)	(327)	793	(2,812)
CIT	926013	Payroll Withholding	14.000%	(214)	(243)	(235)	(296)	(233)	(231)	(260)	(256)	(256)	(326)	(254)	617	(2,187)
DEL	926013	Payroll Withholding	26.000%	(397)	(452)	(437)	(550)	(433)	(429)	(483)	(475)	(475)	(606)	(472)	1,146	(4,062)
ESN	926013	Payroll Withholding	24.000%	(366)	(417)	(404)	(507)	(399)	(396)	(448)	(438)	(438)	(559)	(436)	1,058	(3,750)
SHG	926013	Payroll Withholding	18.000%	(275)	(313)	(303)	(381)	(300)	(297)	(334)	(329)	(329)	(419)	(327)	793	(2,812)
CUC	926014	Mental, Emotional & Drug Rehab		42	40	39	38	38	39	38	39	39	40	40	40	472
CFG	926014	Mental, Emotional & Drug Rehab	18.000%	8	7	7	7	7	7	7	7	7	7	7	7	85
CIT	926014	Mental, Emotional & Drug Rehab	14.000%	6	6	5	5	5	5	5	5	5	6	6	6	66
DEL	926014	Mental, Emotional & Drug Rehab	26.000%	11	10	10	10	10	10	10	10	10	10	10	10	123
ESN	926014	Mental, Emotional & Drug Rehab	24.000%	10	10	9	9	9	9	9	9	9	10	10	10	113
SHG	926014	Mental, Emotional & Drug Rehab	18.000%	8	7	7	7	7	7	7	7	7	7	7	7	85
CUC	926015	Post Retirement Benefits		563	563	563	563	563	563	563	563	563	563	563	(315)	5,878
CFG	926015	Post Retirement Benefits	18.000%	101	101	101	101	101	101	101	101	101	101	101	(57)	1,058
CIT	926015	Post Retirement Benefits	14.000%	79	79	79	79	79	79	79	79	79	79	79	(44)	823
DEL	926015	Post Retirement Benefits	26.000%	146	146	146	146	146	146	146	146	146	146	146	(82)	1,528
ESN	926015	Post Retirement Benefits	24.000%	135	135	135	135	135	135	135	135	135	135	135	(76)	1,411
SHG	926015	Post Retirement Benefits	18.000%	101	101	101	101	101	101	101	101	101	101	101	(57)	1,058
CUC	92602	Health Care Admin Fees		814	613	603	591	587	597	603	619	614	628	628	633	7,530
CFG	92602	Health Care Admin Fees	18.000%	147	110	109	106	106	107	109	111	111	113	113	114	1,355
CIT	92602	Health Care Admin Fees	14.000%	114	86	84	83	82	84	84	87	86	88	88	89	1,054
DEL	92602	Health Care Admin Fees	26.000%	212	159	157	154	153	155	157	161	160	163	163	165	1,958
ESN	92602	Health Care Admin Fees	24.000%	195	147	145	142	141	143	145	149	147	151	151	152	1,807
SHG	92602	Health Care Admin Fees	18.000%	147	110	109	106	106	107	109	111	111	113	113	114	1,355
CUC	92603	Long-Term Disability		263	257	262	267	268	273	274	274	267	267	267	261	3,200
CFG	92603	Long-Term Disability	18.000%	47	46	47	48	48	49	49	49	48	48	48	47	576
CIT	92603	Long-Term Disability	14.000%	37	36	37	37	38	38	38	38	37	37	37	37	448
DEL	92603	Long-Term Disability	26.000%	68	67	68	69	70	71	71	71	69	69	69	68	832
ESN	92603	Long-Term Disability	24.000%	63	62	63	64	64	66	66	66	64	64	64	63	768
SHG	92603	Long-Term Disability	18.000%	47	46	47	48	48	49	49	49	48	48	48	47	576
CUC	92605	Life Insurance		388	368	367	363	361	363	363	371	375	375	375	374	4,443
CFG	92605	Life Insurance	18.000%	70	66	66	65	65	65	65	67	68	68	68	67	800
CIT	92605	Life Insurance	14.000%	54	52	51	51	51	51	51	52	53	53	53	52	622
DEL	92605	Life Insurance	26.000%	101	96	95	94	94	94	94	96	98	98	98	97	1,155
ESN	92605	Life Insurance	24.000%	93	88	88	87	87	87	87	89	90	90	90	90	1,066
SHG	92605	Life Insurance	18.000%	70	66	66	65	65	65	65	67	68	68	68	67	800

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Central Florida Gas
Allocation Calculation

Company	Account	Description	Percent	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Total
CUC	92606	AD&D		97	92	92	91	90	91	91	93	94	94	94	94	1,113
CFG	92606	AD&D	18.000%	17	17	17	16	16	16	16	17	17	17	17	17	200
CIT	92606	AD&D	14.000%	14	13	13	13	13	13	13	13	13	13	13	13	156
DEL	92606	AD&D	26.000%	25	24	24	24	23	24	24	24	24	24	24	24	289
ESN	92606	AD&D	24.000%	23	22	22	22	22	22	22	22	23	23	23	23	267
SHG	92606	AD&D	18.000%	17	17	17	16	16	16	16	17	17	17	17	17	200
CUC	92607	Pension Expense		3,350	3,350	3,350	(3,450)	3,350	3,350	3,350	3,350	3,350	3,350	3,350	26,203	58,253
CFG	92607	Pension Expense	18.000%	603	603	603	(621)	603	603	603	603	603	603	603	4,717	10,126
CIT	92607	Pension Expense	14.000%	469	469	469	(483)	469	469	469	469	469	469	469	3,668	7,875
DEL	92607	Pension Expense	26.000%	871	871	871	(897)	871	871	871	871	871	871	871	6,813	14,626
ESN	92607	Pension Expense	24.000%	804	804	804	(828)	804	804	804	804	804	804	804	6,289	13,501
SHG	92607	Pension Expense	18.000%	603	603	603	(621)	603	603	603	603	603	603	603	4,717	10,126
CUC	92608	Retirement Savings Plan		5,862	6,145	8,018	8,222	6,318	6,248	6,866	6,591	6,132	8,581	6,307	6,041	81,330
CFG	92608	Retirement Savings Plan	18.000%	1,055	1,106	1,443	1,480	1,137	1,125	1,236	1,186	1,104	1,545	1,135	1,087	14,639
CIT	92608	Retirement Savings Plan	14.000%	821	860	1,123	1,151	885	875	961	923	858	1,201	883	846	11,386
DEL	92608	Retirement Savings Plan	26.000%	1,524	1,598	2,085	2,138	1,643	1,624	1,785	1,714	1,594	2,231	1,640	1,571	21,146
ESN	92608	Retirement Savings Plan	24.000%	1,407	1,475	1,924	1,973	1,516	1,500	1,648	1,582	1,472	2,059	1,514	1,450	19,519
SHG	92608	Retirement Savings Plan	18.000%	1,055	1,106	1,443	1,480	1,137	1,125	1,236	1,186	1,104	1,545	1,135	1,087	14,639
CUC	92609	Other Pension & Benefits Expense		206	685	28	14	112	645	403	208	772	317	95	1,048	4,533
CFG	92609	Other Pension & Benefits Expense	18.000%	37	123	5	3	20	116	73	37	139	57	17	189	816
CIT	92609	Other Pension & Benefits Expense	14.000%	29	96	4	2	16	90	56	29	108	44	13	147	635
DEL	92609	Other Pension & Benefits Expense	26.000%	54	178	7	4	29	168	105	54	201	82	25	272	1,179
ESN	92609	Other Pension & Benefits Expense	24.000%	49	164	7	3	27	155	97	50	185	76	23	252	1,088
SHG	92609	Other Pension & Benefits Expense	18.000%	37	123	5	3	20	116	73	37	139	57	17	189	816
CUC	9301	Misc Advertising		0	1,993	3,787	107	837	501	235	3,513	1,735	1,190	823	1,716	16,437
CFG	9301	Misc Advertising	18.000%	0	359	682	19	151	90	42	632	312	214	148	309	2,959
CIT	9301	Misc Advertising	14.000%	0	279	530	15	117	70	33	492	243	167	115	240	2,301
DEL	9301	Misc Advertising	26.000%	0	518	985	28	218	130	61	913	451	309	214	446	4,274
ESN	9301	Misc Advertising	24.000%	0	478	909	26	201	120	56	843	416	286	198	412	3,945
SHG	9301	Misc Advertising	18.000%	0	359	682	19	151	90	42	632	312	214	148	309	2,959
CUC	930201	Directors Fees		6,667	4,267	12,667	8,333	11,707	3,707	10,107	11,707	5,307	9,307	10,907	10,907	105,590
CFG	930201	Directors Fees	18.000%	1,200	768	2,280	1,500	2,107	667	1,819	2,107	955	1,675	1,963		17,043
CIT	930201	Directors Fees	14.000%	933	597	1,773	1,167	1,639	519	1,415	1,639	743	1,303	1,527	1,527	14,783
DEL	930201	Directors Fees	26.000%	1,733	1,109	3,293	2,167	3,044	964	2,628	3,044	1,380	2,420	2,836	2,836	27,453
ESN	930201	Directors Fees	24.000%	1,600	1,024	3,040	2,000	2,810	890	2,426	2,810	1,274	2,234	2,618	2,618	25,342
SHG	930201	Directors Fees	18.000%	1,200	768	2,280	1,500	2,107	667	1,819	2,107	955	1,675	1,963	1,963	19,006
CUC	930202	Board Meeting Expense		625	120	3,188	7,560	3,192	3,455	1,101	3,501	829	1,615	2,359	2,423	29,968
CFG	930202	Board Meeting Expense	18.000%	113	22	574	1,361	575	622	198	630	149	291	425	436	5,394
CIT	930202	Board Meeting Expense	14.000%	88	17	446	1,058	447	484	154	490	116	226	330	339	4,196
DEL	930202	Board Meeting Expense	26.000%	163	31	829	1,966	830	898	286	910	216	420	613	630	7,792
ESN	930202	Board Meeting Expense	24.000%	150	29	765	1,814	766	829	264	840	199	388	566	582	7,192
SHG	930202	Board Meeting Expense	18.000%	113	22	574	1,361	575	622	198	630	149	291	425	436	5,394

Central Florida Gas
Allocation Calculation

Company	Account	Description	Percent	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Total
CUC	930203	Corporate Reports		0	1,750	4,049	3,967	13,614	35,614	1,835	0	3,320	3,103	0	10,300	77,552
CFG	930203	Corporate Reports	18.000%	0	315	729	714	2,451	6,411	330	0	598	559	0	1,854	13,959
CIT	930203	Corporate Reports	14.000%	0	245	567	555	1,906	4,986	257	0	465	434	0	1,442	10,857
DEL	930203	Corporate Reports	26.000%	0	455	1,053	1,031	3,540	9,260	477	0	863	807	0	2,678	20,164
ESN	930203	Corporate Reports	24.000%	0	420	972	952	3,267	8,547	440	0	797	745	0	2,472	18,612
SHG	930203	Corporate Reports	18.000%	0	315	729	714	2,451	6,411	330	0	598	559	0	1,854	13,959
CUC	930204	Other Corporate Expense		17,824	3,597	23,474	15,094	3,589	22,706	9,726	9,441	10,862	12,915	23,310	35,388	187,926
CFG	930204	Other Corporate Expense	18.000%	3,208	647	4,225	2,717	646	4,087	1,751	1,699	1,955	2,325	4,196	6,370	33,827
CIT	930204	Other Corporate Expense	14.000%	2,495	504	3,286	2,113	502	3,179	1,362	1,322	1,521	1,808	3,263	4,954	26,310
DEL	930204	Other Corporate Expense	26.000%	4,634	935	6,103	3,924	933	5,904	2,529	2,455	2,824	3,358	6,061	9,201	48,861
ESN	930204	Other Corporate Expense	24.000%	4,278	863	5,634	3,623	861	5,449	2,334	2,266	2,607	3,100	5,594	8,493	45,102
SHG	930204	Other Corporate Expense	18.000%	3,208	647	4,225	2,717	646	4,087	1,751	1,699	1,955	2,325	4,196	6,370	33,827
CUC	931	Rents		11,106	11,106	11,106	11,106	11,295	11,247	11,295	10,896	10,896	10,896	10,896	10,896	132,741
CFG	931	Rents	18.000%	1,999	1,999	1,999	1,999	2,033	2,024	2,033	1,961	1,961	1,961	1,961	1,961	23,893
CIT	931	Rents	14.000%	1,555	1,555	1,555	1,555	1,581	1,575	1,581	1,525	1,525	1,525	1,525	1,525	18,584
DEL	931	Rents	26.000%	2,888	2,888	2,888	2,888	2,937	2,924	2,937	2,833	2,833	2,833	2,833	2,833	34,513
ESN	931	Rents	24.000%	2,665	2,665	2,665	2,665	2,711	2,699	2,711	2,615	2,615	2,615	2,615	2,615	31,858
SHG	931	Rents	18.000%	1,999	1,999	1,999	1,999	2,033	2,024	2,033	1,961	1,961	1,961	1,961	1,961	23,893
CUC	932	Maintenance		0	0	0	42	0	0	0	0	0	495	0	0	537
CFG	932	Maintenance	18.000%	0	0	0	8	0	0	0	0	0	89	0	0	97
CIT	932	Maintenance	14.000%	0	0	0	6	0	0	0	0	0	69	0	0	75
DEL	932	Maintenance	26.000%	0	0	0	11	0	0	0	0	0	129	0	0	140
ESN	932	Maintenance	24.000%	0	0	0	10	0	0	0	0	0	119	0	0	129
SHG	92170	Maintenance	18.000%	0	0	0	8	0	0	0	0	0	89	0	0	97

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of	**DOCKET NO. 000108-GU**
REQUEST FOR RATE INCREASE BY FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION.	

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* *
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* *
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DEPOSITION OF:	THOMAS A. GEOFFROY and JAMES A. WILLIAMS
TAKEN AT THE INSTANCE OF:	The Staff of the Florida Public Service Commission
PLACE:	Gerald L. Gunter Building Room 362 2540 Shumard Oak Boulevard Tallahassee, Florida
TIME:	Commenced at 11:45 a.m. Concluded at 2:55 p.m.
DATE:	Friday, September 29, 2000
REPORTED BY:	KORETTA E. STANFORD, RPR Official FPSC Reporter Division of Records & Reporting

THE WITNESS: (By Mr. Geoffroy) Thank you.

THE WITNESS: (By Mr. Williams) Thank you.

THE WITNESS: (By Mr. Geoffroy) Here's my testimony back. Are we still on the record?

MR. KEATING: Yes.

MR. SCHIEFELBEIN: May we go off it?

MR. KEATING: We may go off the record, momentarily.

(Discussion off the record.)

MR. KEATING: Back on the record.

BY MR. KEATING:

Q I believe, Staff has provided a copy of those calculations regarding allocation of common plant depreciation reserve and depreciation expense to nonutility. Have you had an opportunity to review those calculations?

A (By Mr. Williams) Yes, we have.

Q Does the company agree with the methodology that's used in those calculations?

A Yes.

MR. SCHIEFELBEIN: May we go off the record for a moment?

MR. KEATING: Yes.

(Discussion off the record.)

MR. SCHIEFELBEIN: Back on the record.

THE WITNESS: (By Mr. Geoffroy) There is just one item relative to this handout on the allocation of depreciation expense. It's a titling issue above one of the first column of dollars that says, "Staff adjusted 13-month average," and I believe it should reflect 12-month amount.

MR. KEATING: And it's my understanding that that's correct, it's a titling error.

THE WITNESS: (By Mr. Geoffroy) In the right-hand column 13-month nonutility should be 12-month nonutility.

MR. KEATING: I think, while we're still on the record, I would like to have that marked as Deposition Exhibit Number 10. And before we make that a part of the record, I would like to make one additional change, along with the titling error that was noted.

On page 3 of this three-page document, first a summary of Staff adjustments to depreciation and reserves halfway down the page followed by list of accounts, that should read, "Summary of Staff adjustments to depreciation expense."

(Exhibit Number 10 marked for identification.)

BY MR. KEATING:

Q Referring to payroll expense and benefits, what do you believe is reasonable to use as a loading factor

EXHIBIT 10

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

Allocation of Common Plant
Projected Test Year (12/31/01)

Acct. Number	Account Name	Staff Adjusted 13 Month Avg.	Percent Nonutility (1)	12 ~~13~~ Month Nonutility
374	Land	$ 28,635	0.0%	$ 0
375	Structures & Improvements	251,056	4.3	10,795
387	Other Equipment	328,073	7.2	23,621
389	Land	98,285	33.5	32,925
390	Structures & Improvements	332,834	33.5 (2)	111,499
391	Office Furniture & Equipment	420,456	7.2	30,273
392	Autos & Trucks	976,891 (3)	22.2	216,870
394	Tool, Shop & Garage	89,061	0.0	0
396	Power Operated Equipment	386,935 (4)	0.0	0
397	Communications Equipment	97,610	7.2	7,028
398	Miscellaneous Equipment	50,583	0.0	0
Total		$ 3,060,419		$ 433,011

Summary of Staff Adjustments to capital accounts:

375	Struct. & Improvements		$ 10,795
387	Other Equipment		23,621
389	Land		32,925
390	Struct. & Improvements		87,797 (5)
392	Auto &Trucks	$ 3,018	146,284
397	Communications Equip.	47	
391	Office Furniture & Equip.	201	
396	Power Operated Equip.	12,500	
Total			$ 285,656 net credit (6)

(1) Per Staff Engineering Report (Schedule B-5, I-4 & G-1, Pages 191-196) by L. Peterside.
(2) The Winter Haven office percent nonutility per floor is 3.0% ($4,992) for the 1st floor and 64% ($106,507) for the 2nd floor. Ie, 36% of the 2nd floor should be allowed in rate base.
(3) Company balance of $973,873 increased by $3,018 (0.31%) per Staff Engineering Report.
(4) Company balance of $374,435 increased by $12,500 (3.34%) per Staff Engineering Report.
(5) Of the $87,797 net adjustment, $82,805 is for the 2nd floor and $4,992 is for the 1st floor.
(6) Company already has made adjustments of $131,837 ($23,702 + $108,135).

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

Allocation of Depreciation Reserve
Projected Test Year (12/31/01)

Acct. Number	Account Name	Staff Adjusted 13 Month Avg.	Percent Nonutility (1)	13 Month Nonutility
374	Land	$ 0	0.0%	$ 0
375	Structures & Improvements	55,545	4.3	2,388
387	Other Equipment	190,140	7.2	13,690
389	Land	0	33.5	0
390	Structures & Improvements	96,122	33.5	32,201 (2)
391	Office Furniture & Equipment	196,762	7.2	14,167
392	Autos & Trucks	588,834 (3)	22.2	130,721
394	Tool, Shop & Garage	32,539	0.0	0
396	Power Operated Equipment	171,909 (4)	0.0	0
397	Communications Equipment	47,939	7.2	3,452
398	Miscellaneous Equipment	18,526	0.0	0
Total		$1,398,316		$196,619

Summary of Staff Adjustments to depreciation reserves:

375	Struct. & Improvements	$ 2,388	
387	Other Equipment	13,690	
390	Struct. & Improvements	23,608 (5)	
392	Auto &Trucks	88,174	$1,820
391	Office Furniture & Equip.		94
396	Power Operated Equip.		5,554
397	Communications Equip.		23
Total		$ 120,369 net debit (6)	

(1) Nonutility percentages match percentages from each respective capital account.
(2) $30,759 was associated with the 2nd floor and $1,442 was associated with the 1st floor.
(3) Company balance of $587,014 increased by $1,820 (0.31%) to account for same percentage increase to the capital account.
(4) Company balance of $166,355 increased by $5,554 (3.34%) to account for same percentage adjustment to the capital account.
(5) Of the net adjustment of $23,608, $22,166 was for the 2nd floor and $1,442 for the 1st floor.
(6) Company already has made adjustments of $68,876 ($8,593 + $60,283).

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

Allocation of Depreciation Expense
Projected Test Year (12/31/01)

Acct. Number	Account Name	Staff Adjusted 12 ~~13~~ Month Avg.	Percent Nonutility (1)	12 ~~13~~ Month Nonutility
374	Land	$ 0	0.0%	$ 0
375	Structures & Improvements	7,532	4.3	324
387	Other Equipment	55,116	7.2	3,968
389	Land	0	33.5	0
390	Structures & Improvements	7,656	33.5	2,565 (2)
391	Office Furniture & Equipment	45,744	7.2	3,294
392	Autos & Trucks	3,466 (3)	22.2	769
394	Tool, Shop & Garage	4,720	0.0	0
396	Power Operated Equipment	30,181 (4)	0.0	0
397	Communications Equipment	6,638	7.2	478
398	Miscellaneous Equipment	3,743	0.0	0
Total		$ 164,796		$ 11,398

Summary of Staff Adjustments to depreciation ~~reserves~~ expense:

375	Struct. & Improvements		$ 324
387	Other Equipment		3,968
390	Struct. & Improvements		2,565 (2)
392	Auto &Trucks	$ 11	519
391	Office Furniture & Equip.	21	
397	Communications Equip.	3	
396	Power Operated Equip.	975	
Total			$ 6,366 net credit (5)

(1) Nonutility percentages match percentages from each respective capital account.
(2) Of the $2,565 nonutility, $2,450 was for the 2nd floor, $115 for the 1st floor. The net adjustments are the same since the company did not reduce depreciation expense for the 2nd floor.
(3) Company balance of $3,455 increased by $11 (0.31%) to account for same percentage increase to the capital account.
(4) Company balance of $29,206 increased by $975 (3.34%) to account for same percentage adjustment to the capital account.
(5) Company already has made adjustments of $4,046.

CENTRAL FLORIDA GAS COMPANY
ANALYSIS OF GAS USE OF LARGE-VOLUME CUSTOMERS
AS OF 12/31/99

Dkt 000108-GU

Purpose: Summarize the test procedures applied and conclusions drawn.

Work Performed: In its response to FPSC Interrogatory #8, the Utility supplied the names of 71 of its large industrial customers for which it projected gas consumption in the years 2000 and 2001. These customers formed the basis for the analysis of year to date consumption which was performed by the audit staff.

The Utility also had provided to Staff a three-page report which it titled "Large Volume Customer and Sales Forecast Data - Greater Than 50,000 Therms". The Utility listed 99 customers on this report, including their gas use in 1999 and their forecast gas use for the years 2000 and 2001.

Total Number of Customers on the "Large Volume" Report:	99
Less Number of Customers listed as Out of Business	8
Remainder	91
Auditor's Projection of Existing Customers	71
Auditor's Projection of New and Separately Projected Customers:	20
Total on Auditor's Projection Work Paper	91

The auditor extracted year-to-date therm sales for these customers from Central Florida Gas sales records, annualized these amounts, and compared the annualized figures to the projection for the year 2000. In most cases, the customers had been billed for seven months gas service. Those which were different were so noted on the work papers. Existing customers and new customers were analyzed on separate work papers. The results of both analyses were presented on a summary work paper.

Summary of Analysis Results: The overall estimate by the Utility for the year 2000 for existing customers, compared to the annualization of actual year 2000 revenues by the auditor, was low by 23.69%. Removal of two customers which demonstrated very abnormal gas use characteristics compared to 1999, IMC Global and Agrifos, leaves a difference of 16.57%, the Utility being low in its projection.

For new customers, the Utility estimate, compared to the annualization of actual year 2000 revenues by the FPSC auditor, was high by 2.40%.

The total difference between the Utility projection and the auditor analysis for all customers was 4,064,380 therms, or 4.65%. The Utility's projection was lower than the FPSC auditor's analysis.

Mr. Headley, the CFGC consultant, wrote that twelve large customers in citrus or related industries used less gas during the months May through September. I checked the Utility's record of customer billings and found that, for the most part, this statement was accurate. Further, Agrifos may go out of business by the end of October, 2000. IMC can also use #6 Oil in place of natural gas, the deciding factor being the price. These conditions, if they have the effect the Utility believes they will have, would result in a reduction of natural gas use. Since the Utility's estimate is already lower than the audit analysis, these factors may be valid.

Total Amount of Gas Projected by FPSC Auditor to be Used:	91,523,338
Total Amount of Gas Use by Utility Estimate:	87,458,958
Therm Difference	4,064,380
Percentage Difference	4.65%

Conclusion: Overall, the Utility projection should be accepted for ratemaking purposes, assuming that Agrifos and IMC behave as predicted.

SOURCE: As referenced 226

W/P 41

Company: Chesapeake Utilities/Florida Div.
Docket : 000108-GU
Period: As of 12/31/99
Subject: Analysis of Gas Use of Large-Volume Customers: Summary

Filename: Ches. Cust. Analysis
Range: Y225..AH260
Auditor: Tom Stambaugh 9/13/00

Purpose: Summarize therm use by existing and new customers

	Per Utility	Per Audit	Difference	Percent Difference
Existing Customers 41 p2	32,475,958	37,858,644	(5,382,686)	16.57%
New Customers 41 p2	54,983,000	53,664,693	1,318,307	-2.40%
Total	87,458,958	91,523,338	(4,064,380)	4.65%

Conclusion: Accept the Utility's projection for rate making purposes.

Source: As referenced.

WP 41

227

Company: Chesapeake Utilities/Florida Div.
Docket: 000108-GU
Period: As of 12/31/99
Subject: Analysis of Gas Use of Large-Volume Customers: Utility Response 8A and 8B.

Filename: Ches. Cust. Analysis
Range: A29 M180
Auditor: Tom Stambaugh

Revenue Class		Customer Name	Type of Business	Utility (Actual) 1999	Thermo Use Estimates 2000	Estimates 2001	YTD For 2000	Annualize (12/X) in 2000	Annualized For 2000	(Annl-Proj) Difference	Utility Projection in 2000	Pct Diff. Annl/By Projection
GS-6	1	Amstek	Gauges	71,216	55,000	55,000	41,326	1.50	61,989	(6,989)	55,000	6 months
	2	Dura-Cast Products	Rotational plastic moulding, plastic products	57,608	57,608	57,608	50,552	1.71	86,661	(29,053)	57,608	
	3	El Mira Sol Bakery	Baked good for Mexican foods.	92,386	92,386	92,386	60,440	1.71	103,611	(11,226)	92,386	
	4	Florida Cypress Gardens	Restaurants; tourism.	51,190	53,000	53,000	41,225	1.71	70,671	(17,671)	53,000	
	5	Florida Highway Products	Ingredients for making asphalt	54,443	54,443	54,443	21,758	1.71	37,298	17,147	54,443	
	6	Plant City Health Care	Health Care Service	60,637	63,000	63,000	37,434	1.50	56,152	6,848	63,000	6 months
	7	Plant City Laundry	Laundry Service	61,910	61,910	61,910	34,500	1.71	59,142	2,768	61,910	
	8	Rubber Applicators	Rubber linings in steel for the phosphate industry	49,811	51,000	51,000	17,536	2.00	35,072	15,928	51,000	6 months
	9	Safety Kleen	Hazardous Material and Flammable Liquids	65,177	65,177	65,177	25,927	1.71	44,448	20,731	65,177	
	10	Sunshine Center, Inc.	Laundry Service	46,566	50,000	50,000	32,601	1.71	55,887	(5,887)	50,000	
		Total Use of the Revenue Class		611,172	603,523	603,523	383,297		610,939	(7,466)	663,523	1.23%
TS-6	11	Dade South Prod (Wish-Class)	Processing Eggs	78,656	78,656	78,656	50,552	1.71	86,661	(8,006)	78,656	
	12	The Fresh Juice Co.	Fresh Citrus Juice	54,478	60,000	60,000	52,466	1.71	89,941	(29,941)	60,000	
	13	Haines City Citrus Growers	Fresh Fruit Packers	93,748	93,748	93,748	36,278	1.71	62,186	31,562	93,748	
	14	Industrial Services	Industrial Laundry	67,970	67,970	67,970	37,987	1.71	65,120	2,850	67,970	
	15	Mac Asphalt	Asphalt	48,435	50,500	52,000	36,088	1.71	62,912	(12,412)	50,500	
	16	Monesy Products Co.	Roof Coating Products	59,029	59,029	59,029	32,808	1.71	56,239	2,790	59,029	
	17	St Cloud Hospital	Hospital Care	56,364	60,000	60,000	43,123	1.71	73,926	(13,926)	60,000	
	18	Sun Orchard	Citrus Juices	50,701	60,000	60,000	40,754	1.71	69,864	(9,864)	60,000	
	19	Waverly Growers	Fresh and dried fruit packers.	78,522	78,522	78,522	39,657	1.71	67,984	8,538	78,522	
		Total Use of the Revenue Class		563,908	608,424	607,924	370,321		634,838	(26,414)	666,424	4.69%
GS-7	20	Florida Distillers, Auburndale	Distillery, winery and bottling plant	17,577	0	0	16,856	1.71	28,548	(28,548)	0	
	21	Paradise Fruit Company, Inc.	Candied Fruit for Fruitcakes	314,175	300,000	300,000	196,341	1.71	334,870	(34,870)	300,000	
	22	Purina Mills	Animal and Poultry Feed	104,158	105,000	105,000	72,730	1.71	124,680	(19,680)	105,000	
	23	William G. Roe and Sons, Inc.	Fruit Packers and Juice Processors.	132,575	146,000	146,000	117,869	1.71	202,112	(56,112)	146,000	
		Total Use of the Revenue Class		568,486	551,000	551,000	402,823		690,211	(139,210)	551,000	26.27%
TS-7	24	Bandaw	Corrugated Sheets of Box Material	427,783	427,783	427,783	207,226	1.71	355,245	72,538	427,783	
	25	Box USA	Corrugated Boxes	403,026	403,026	403,026	255,637	1.71	436,236	(36,210)	403,026	
	26	Clark Environmental	Environmental ReCycling/Solid Waste.	309,536	400,000	400,000	388,415	1.71	633,383	(233,383)	400,000	
	27	Custom Chemical Corp.	Phosphate Industry Processing Aids.	382,203	382,203	353,000	243,103	1.71	416,748	(24,548)	382,203	
	28	Dundee Citrus Growers	Citrus Growers	101,717	117,000	117,000	43,634	1.71	73,035	43,965	117,000	
	29	Ennis Drum Service	Mfr and Reconditon 55 Gallon Steel Drums	295,668	300,000	300,000	231,880	1.71	397,648	(97,648)	300,000	
	30	The Florida Brewery, Inc.	Alcohol and Non-alcohol beverages.	135,469	178,000	178,000	101,808	1.71	172,814	3,186	178,000	
	31	Fruit-Pack Internat'l (was Lykes)	Fresh Fruit Packing	230,451	230,000	230,000	100,388	1.71	177,586	52,412	230,000	
	32	Givaudan-Roure	Flavoring	243,089	243,089	243,089	134,689	1.71	230,648	12,155	243,089	
	33	Heart of Florida Hospital	Hospital	242,488	250,500	250,500	124,347	1.71	213,168	37,334	250,500	
	34	High Performance Finishers	Metal Finishing	208,272	225,000	225,000	128,047	1.71	219,080	8,920	225,000	
	35	Hospitality Linen Service	Linen Cleaning Service	139,255	180,000	178,000	117,146	1.71	200,520	(40,520)	180,000	
	36	International Paper, Plant City	Coated Cardboard Containers for Citrus Drinks	99,026	101,000	101,000	42,747	1.71	73,280	27,720	101,000	
	37	International Petroleum Corp.	Refine used oil into #6 oil.	213,732	214,000	214,000	198,388	1.71	287,954	(53,954)	214,000	
	38	Kaiser Chemical	Sodium Fluorosilicate	82,536	136,000	136,000	60,615	1.71	103,911	34,089	136,000	
	39	Lake Wales Medical Center	Hospital	202,889	210,000	210,000	130,089	1.71	223,005	(13,005)	210,000	
	40	Lakeland Drum	Reconditioned Steel Drums	162,644	162,000	162,000	123,168	1.71	211,174	(49,174)	162,000	
	41	Polk Correctional Institution	Prison	330,233	337,508	337,508	203,475	1.71	348,814	(11,314)	337,500	
	42	Rosenca Mfr.	Plastic Products	354,983	380,000	380,000	253,743	1.71	434,988	(44,988)	390,000	
	43	Southern Culvert	Concrete Pipe	123,648	124,000	124,000	118,716	1.71	203,513	(79,513)	124,000	
	44	South Florida Baptist Hospital	Hospital	172,378	180,000	180,000	109,138	1.71	187,081	2,919	190,000	
	45	Superbrand Dairy Products	Milk and Fluids	337,075	336,000	336,000	205,372	1.71	352,066	(17,066)	336,000	
	46	Ta'Ta Tea	Instant Tea	146,938	146,000	146,000	84,560	1.71	144,943	1,057	146,000	
	47	Webb Farms	Milk, Juice	309,739	350,000	350,000	204,888	1.71	351,240	(1,240)	350,000	
	48	Washington Mills	Ceramic Tumbling Media	483,152	471,000	471,000	277,634	1.71	476,270	(5,270)	471,000	
		Total Use of the Revenue Class		6,148,979	6,483,011	6,466,806	4,027,179		6,900,736	(416,729)	6,483,011	6.33%
GS-8	49	Barton Distillers/Ehlenst	Beverage Alcohol	603,689	600,000	600,000	1,079,488	1.71	1,846,494	(1,246,494)	600,000	207.57%
	50	Willamette Industries Inc.	Corrugated Boxes	622,246	650,000	670,000	437,397	1.71	748,823	(98,823)	650,000	15.39%
		Total Use of the Revenue Class		1,225,914	1,250,000	1,270,000	1,513,882		2,595,327	(1,345,327)	1,250,000	107.62%
TS-8	51	ARR-MAZ	Asphalt and concrete additives. Phosphates.	466,709	503,000	553,000	311,148	1.71	533,397	(30,397)	503,000	
	52	Crystals International	Dry fruit powder and beverage mixes	551,333	550,000	550,000	284,348	1.71	452,987	97,003	550,000	
	53	Fernies Nurseries, Inc.	Flowers and Plants	844,178	588,000	588,000	388,221	1.71	827,807	(58,807)	588,000	
	54	Florida Brick and clay	Brick and Clay Products	731,879	800,000	800,000	487,343	1.71	835,445	(35,445)	800,000	
	55	International Paper (Autocrations)	Corrugated Containers	688,439	710,000	710,000	432,677	1.71	742,075	(32,075)	710,000	
	56	Mrs. Allison's Cookies	Cookies	280,488	325,000	325,000	192,783	1.71	330,466	(5,466)	325,000	
	57	Packaging Corp. of America	Corrugated Boxes	515,798	524,000	524,000	282,787	1.71	501,921	22,079	524,000	
	58	Quincy Farms	Mushrooms	957,023	878,000	878,000	611,023	1.71	1,047,466	(171,466)	876,000	
	59	Winter Haven Hospital	Hospital	661,389	618,000	618,000	333,462	1.71	914,568	(296,568)	618,000	
	60	Ytong Florida, Inc.	Building Products	366,644	500,000	550,000	199,581	1.71	286,518	214,484	500,000	
		Total Use of the Revenue Class		5,862,888	5,974,000	6,074,000	3,658,483		6,271,888	(297,888)	6,074,000	4.90%
GS-9	61	Agrifos Mining	Phosphate Rock - Dry or Wet	2,788,188	2,888,888	2,888,888	799,988	1.71	1,217,113	1,582,887	2,888,888	
	62	IMC Norsip	Phosphate - gas used in dryers.	1,443,564	1,000,000	1,000,000	880,460	1.71	1,508,343	(508,343)	1,000,000	
	63	Lykes Meat Group	Meat Group	1,473,207	1,630,000	1,630,000	948,813	1.71	1,638,194	(8,194)	1,630,000	
		Total Use of the Revenue Class		5,705,973	5,430,000	5,430,000	2,539,048		4,363,691	1,067,349	5,430,000	-19.69%
TS-9	64	Dart Container	Foam disposable food and drink containers	1,541,828	1,636,000	1,717,000	948,115	1.71	1,621,911	13,089	1,636,000	
	65	Florida Distillers, Lake Alfred	Distillery, Vinegar, Wine and Bottling Plant	1,943,469	2,027,000	2,027,000	1,636,638	1.71	3,152,288	(1,125,288)	2,027,000	
	66	James Hardie Bldg. Products	Building Products	2,222,348	2,300,000	2,415,000	1,344,310	1.71	2,304,531	(4,531)	2,300,000	
	67	Master Container	EPS Foam Cups and Containers	1,466,959	1,447,000	1,447,000	1,009,134	1.71	1,729,946	(282,946)	1,447,000	
	68	Pasco Process (was Orange-Co)	Concentrate and Fresh Orange Juice	1,653,302	2,200,000	2,200,000	1,612,938	1.71	2,765,014	(565,014)	2,200,000	
	69	Sun Pac Foods	Fresh Juice, Concentrate and Animal Feed	1,521,807	1,619,000	1,542,000	1,215,983	1.71	2,084,542	(465,542)	1,619,000	
	70	Alcoa Extrusions (was Alumax)	Aluminum Extrusion Products	4,798,310	3,150,000	3,150,000	1,958,980	1.71	3,358,251	(208,251)	3,150,000	
	71	IMC Global, New Wales	Animal feed; Ruminex; DAP; MAP	16,384,268	17,888,888	17,888,888	16,384,946	1.71	28,288,784	(9,782,784)	17,888,888	
		Total Use of the Revenue Class		31,538,188	31,878,000	31,988,000	25,211,223		43,218,228	(11,341,228)	31,878,000	35.58%
		Total of All Revenue Classes		52,287,474	52,775,988	52,984,288	36,088,084		85,278,912	(12,502,824)	53,775,988	23.89%
		Total Customers : 71										
		Reduce Total of All Revenue Classes by the IMC Global Total		16,381,388	17,900,000	17,900,000	15,264,948	1.71	26,260,756	(8,760,756)	17,888,888	48.73%
		Reduce Total of All Revenue Classes by the Agrifos Total		2,788,182	2,800,000	2,800,000	708,988	1.71	1,217,113	1,582,887	2,888,888	-56.53%
		Net Total of All Revenue Classes Reduced by IMC Global and Agrifos		33,108,942	32,475,988	32,884,288	22,091,131		37,888,844	(5,382,888)	32,475,988	16.57%

Auditor's Notes: * Other annualization = 7 mos. thru 7/31.

Businesses which ceased operations at the end of 1999 on the Utility's reports were not included in this work paper as a basis of verifying future projections.
IMC Global has used many more therms of gas than it originally projected because it is using one more kiln than it did in 1999 and because gas is less expensive than #6 oil.
Based on annualization of year-to-date therm sales in the year 2000, the Utility may actually sell about 24% more therms of gas in the year 2000 to these 71 customers than it estimated it will sell if the differences associated with IMC Global and Agrifos are removed, the excess of the annualized actual over the projected is just under 13%.

Conclusion: The Utility projection may be low, considering the comparison of annualized actual year-to-date expenditures for gas to the projections for these 71 customers.

Company: Chesapeake Utilities/Florida Div.
Docket : 000108-GU
Period: As of 12/31/99
Subject: Analysis of Gas Use of Large-Volume Customers: New Customers

Filename: Chas. Cust. Analysis
Range: M166..X262
Auditor: Tom Stambaugh 04/13/00

Revenue Class	Customer Name	Type of Business	Utility Therm Use Estimates (Actual) 1999	2000	2001	YTD For 2000	Annlztn (12/X) in 2000	Annualized For 2000	(Anni-Proj) Difference	Utility Projection in 2000	Pct Diff. Anni/By Projection
TS-7											
1	Appalachee Correctional	Prison-not until 11/00.*	0	125,000	375,000	0	1.71	0	125,000	125,000	
2	Holly Hill	Juice plant-not until 10/00*	0	200,000	200,000	0	1.71	0	200,000	200,000	
3	Holmes C/I	Prison-not until 2001?*	0	168,000	337,500	0	1.71	0	168,000	168,000	
4	Inverness Hospital	Hospital-start 10/00.*	0	50,000	200,000	0	1.71	0	50,000	50,000	
5	Lancaster C/I	Prison	0	154,000	154,000	88,366	1.71	148,107	5,893	154,000	
6	Monier Life Tile	Floor Tile-by 10/00.*	0	70,000	122,000	0	1.71	0	70,000	70,000	
7	Standard Sands-Lake Wales-216877	Mine Sand	0	180,000	360,000	80,103	1.71	137,319	42,681	180,000	
8	United Container	Containers-during 09/00.*	0	90,000	180,000	0	1.71	0	90,000	90,000	
	Total Use of the Revenue Class		0	1,037,000	1,928,500	168,469		285,427	751,573	1,037,000	-72.48%
GS-8											
9	North Florida Reception Center	Prison-not yet on line.*	0	134,000	536,000	55,699	6.00	333,954	(199,954)	134,000	2 months
10	Standard Sands - Davenport Pl	Mine Sand-use gas by 10/00.*	0	350,000	700,000	0	1.71	0	350,000	350,000	
	Total Use of the Revenue Class		0	484,000	1,236,000	55,699		333,954	150,046	484,000	-31.00%
Ioss Contract											
11	Peace River Citrus	Citrus-flat fee customer*	0	1,000,000	3,000,000		1.71	0	0	0	
	Total Use of the Revenue Class		0	1,000,000	3,000,000	0		0	0	0	ERR
Other											
12	Wal-Mart	Retail	48,000	60,000	60,000	28,536	1.50	39,804	20,196	60,000	6 Months
13	Bartow Memorial Hospital	Hospital	13,018	110,000	110,000	102,830	1.71	175,820	(65,820)	110,000	
14	Baytree Mgt.	Condo/Apt Complex	102,931	100,000	100,000	78,210	1.71	135,780	(35,780)	100,000	
15	Polk County Board -- 987887	Govt.	162,291	162,000	162,000	122,898	1.71	210,283	(48,283)	162,000	
16	Orlando Util-StCloud-Pasit Elec Gen.	Electricity	488,826	530,000	530,000	339,008	1.71	581,151	(51,151)	530,000	
17	Polk Power Partners	Electricity	16,527,270	15,700,000	15,700,000	7,816,420	1.71	13,369,577	2,330,423	15,700,000	
18	Auburndale Power Partners-Fee only.	Electricity	0	0	0		1.71	0	0	0	
19	Citrosuco - Fee Only-No per therm	Citrus-flat fee customer*	0	0	0	0	1.71	0	0	0	
20	Orange CoGen	Electricity	38,382,700	36,800,000	36,800,000	22,466,980	1.71	38,502,789	(1,702,789)	36,800,000	
			55,732,837	53,462,000	53,462,000	30,948,416		53,045,313	416,687	53,462,000	-0.78%
	Total of All Revenue Classes		55,732,837	55,983,000	56,628,500	31,166,574		53,664,693	1,318,307	54,983,000	-2.40%
	Total Customers : 20										

*Verbal from Jim Williams, CPGC CFO, by telephone, 09/12/00.

*By telephone from Tom Goodwin, Peoples Gas, West Fla Div., 09/13/00: (Two meters, combined into one total).

	Month	Therms	Average	# Months	Annlized
(North Florida Reception Center)	07/00	24,369			
	08/00	31,260			
Total		55,629	27,830	12	333,954

* Most annualizations were 7 months actual.

Auditor's Notes:

Businesses which ceased operations at the end of 1999 on the Utility's reports were not included in this work paper as a basis of verifying future projections.

Conclusion: Based on annualization of year-to-date therm sales in the year 2000, the Utility may actually sell about 2.4% fewer therms of gas in the year 2000 than it estimated it will sell.

Source: Utility documents (Response 8A) and Load Research and Consumption Reports.

WP 41

(1) From Utility "Load Research & Consumption Reports

CENTRAL FLORIDA GAS COMPANY
ANALYSIS OF GAS USE OF LARGE-VOLUME CUSTOMERS
AS OF 12/31/99

Dkt 000108-GU

Purpose: Document some differences between exhibit and report.

Orange Cogen

O-C

79,860.00 +
3,320,570.00 +
91,040.00 +
2,880,340.00 +
40,350.00 –
2,460,750.00 +
114,590.00 –
2,557,910.00 +
11,500.00 –
3,478,820.00 +
13,100.00 +
3,406,230.00 +
18,810.00 –
3,064,620.00 +
21,090.00 –
3,477,160.00 +
145,110.00 +
3,550,060.00 +
28,060.00 –
3,866,490.00 +
260,580.00 +
3,507,560.00 +
67,440.00 –
3,399,460.00 –
67,440.00 +
3,399,460.00 +
3,399,460.00 +
67,440.00 +
39,392,700.00 ◊
39,392,700.00 *

PBC

Sun Pac Foods

1999	Therms	Therms Adjusted
Jan	301,906	301,906
Feb	309,103	309,103
Mar	253,051	253,051
April	103,199	103,199
May	-	-
June	-	-
July	-	-
August	-	-
Sept	-	-
Oct	12,323	100,635
Nov	185,218	185,218
Dec	268,795	268,795
Total	1,433,595	1,521,907

PBC

Pasco Processors

29,246.00 –
440,560.00 +
44,029.00 –
44,029.00 +
15,495.00 +
907.00 –
69,790.00 +
19,958.00 +
16,360.00 –
277,360.00 +
301,780.00 –
2,828.00 –
289,550.00 +
301,780.00 +
16,360.00 +
165,200.00 +
408,270.00 +
1,653,202.00 *

PBC

The Pasco Processors total on the Utility's report of Large Volume Customers and Sales for 12 Data was verified here.

The totals for Orange ... Sun-Pac Foods were different.

SOURCE: PBC

237

W/P 41-1

Large Volume Customer and Sales Forecast Data
Greater than 50,000 therms

9/07/00

1999 Actual Consumption by Month

No.	Customer	Processed Rate Class	1999 Type	January	February	March	April	May	June	July	August	September	October	November	December	Total	2000 Forecast	2001 Forecast	2001 Type
		050 50,000 - 100,000																	
1	1404	Amstek	Sales	4,991	4,287	5,271	5,005	4,732	5,337	5,115	5,275	5,020	5,350	7,100	5,435	71,218	55,000	55,000	Sales
2	20752	Dom Cost	Sales	5,301	4,979	4,991	3,812	4,313	5,142	5,010	3,952	0	0	14,134	5,414	57,000	55,000	55,000	Sales
3	20552	El Rito Bd	Sales	5,205	4,709	6,000	5,140	5,564	10,004	6,469	6,727	7,300	7,724	7,511	6,707	82,500	82,000	82,000	Sales
4	10534	* Florida Cypress Gardens	Sales	6,133	4,844	4,847	5,720	3,445	3,101	3,045	3,000	0	3,022	7,000	4,100	51,100	53,000	53,000	Sales
5	200013	Florida Highway Pro	Sales	4,911	4,105	4,000	4,535	4,300	5,300	4,543	4,700	4,231	4,720	3,000	4,300	54,443	55,000	55,000	Sales
6	05300	- Glen Fruit	OOB	000	0	0	0	0	0	0	0	0	0	0	000	1,300		OOB	OOB
7	41310	- L W Citrus Growers	OOB	10,010	8,401	8,975	4,234	0	0	0	0	0	0	0	0	30,317		OOB	OOB
8	101214	- National 8E Assn.	OOB	3,017	3,070	4,471	2,205	3,032	032	1,444	0	0	0	0	0	20,002		OOB	OOB
9	0340	- Nottingham Co	OOB	4,344	4,914	4,044	1,000	0	0	0	0	0	0	0	0	10,000		OOB	OOB
10	20003	Plant City Health	Sales	5,500	5,022	6,132	5,000	4,000	4,004	4,400	3,004	4,200	4,305	5,330	5,073	60,037	53,000	53,000	Sales
11	9002	Plant City Laundry	Sales	5,114	5,202	5,104	5,104	5,154	5,307	5,000	5,207	5,731	5,300	4,207	4,201	61,010	62,000	62,000	Sales
12	01405	Rubber Applicators	Sales	5,330	4,012	5,700	4,100	5,700	3,730	3,422	2,002	2,000	2,030	1,000	1,052	40,011	51,000	51,000	Sales
13	72726	Safety Kleen (Lakiand)	Sales	5,010	6,110	7,000	6,770	5,237	5,107	5,722	7,210	7,405	6,770	0	1,004	66,177	66,000	66,000	Sales
14	09402	* Sunshine Center	Sales	5,430	4,173	4,000	4,402	4,004	3,072	3,740	2,711	3,005	3,720	3,001	4,010	46,566	51,000	51,000	Sales
15	75774	- Winter Haven CGA	OOB	9,170	10,021	14,047	0,040	0,304	0	0	0	0	0	0	0	51,100	OOB	OOB	OOB
		Total		80,413	74,000	80,770	69,142	69,305	62,004	61,334	59,000	41,377	44,005	59,304	48,007	730,105	666,500	666,500	
		%		11.03%	10.23%	12.10%	9.47%	9.50%	7.22%	7.00%	6.00%	5.67%	6.00%	7.00%	6.63%	100.00%			
		2000 THERMS		71,000	01,004	73,010	57,330	50,025	43,000	42,000	42,200	34,312	30,000	40,020	40,141	666,500			
		2001 THERMS		71,000	01,004	73,010	57,330	50,025	43,000	42,000	42,200	34,312	30,000	40,020	40,141	666,500			
		100 50,001 - 100,000																	
16	10201	Deep South Product	Sales	5,101	5,074	7,000	5,000	5,020	6,007	6,140	6,012	5,000	6,170	6,407	5,200	70,000	70,000	70,000	TA
17	200773	Fresh Juice Co	Sales	5,724	6,001	5,000	5,010	5,000	3,340	7,000	0	0	000	3,570	7,705	54,170	65,000	65,000	TA
18	20225	Haines City Citrus	Sales	12,007	8,717	10,010	6,010	5,305	10	1	70	200	11,417	10,000	10,001	93,740	94,000	94,000	TA
19	17100	Industrial Services	Sales	5,402	6,070	6,014	4,304	5,344	6,400	6,000	6,000	5,300	5,300	5,301	5,353	67,000	69,000	69,000	TA
20	44727	Mosaphat	Sales	3,007	3,071	4,275	3,000	4,330	3,004	3,400	4,300	4,341	4,002	4,225	1,403	46,630	50,000	50,000	TA
21	40701	Mowery Products	Sales	4,740	4,101	5,300	5,000	5,002	6,000	4,407	4,000	4,000	4,707	4,043	4,343	50,020	50,000	50,000	TA
22	07200	* St Cloud Hospital	Sales	5,003	5,101	5,001	5,207	4,000	3,000	4,700	3,273	3,000	4,420	4,204	6,400	50,204	50,000	50,000	TA
23	215745	Sun Orchard	Sales	0	5,003	5,717	4,227	4,570	4,720	4,100	3,041	3,140	2,707	4,110	7,202	50,704	50,000	50,000	TA
24	207254	* Wal-Mart DI	Sales	5,424	4,401	5,307	1,004	3,227	3,704	4,001	4,000	3,007	2,200	3,007	4,000	40,003	50,000	50,000	TA
25	75030	Waverly Growers	Sales	15,100	7,042	6,000	4,040	5,100	0	0	70	000	0,070	14,020	13,700	70,022	74,000	74,000	TA
		Total		66,000	60,300	62,000	47,003	49,074	37,000	41,300	30,000	30,077	54,100	71,700	70,200	620,000	004,500	004,000	
		%		10.33%	9.43%	9.00%	7.30%	7.70%	0.01%	0.07%	5.20%	5.20%	0.00%	11.20%	11.04%	100.00%			
		2000 THERMS		07,021	01,713	04,430	40,000	00,000	30,310	42,077	34,370	34,074	00,200	74,000	70,137	004,000			
		2001 THERMS		07,021	01,713	04,430	40,000	00,000	30,310	42,077	34,370	34,074	00,200	74,000	70,137	004,000			
		007 100,001 - 000,000																	
26	217420	Baker Memorial Hosp	Sales	0	0	0	0	0	0	0	0	0	11,200	0	1,704	13,000	110,000	110,000	Sales
27	4333	* Bigbee Management	Sales	0,200	22,373	13,002	0	12,010	0	0,000	10,514	4,000	5,705	11,000	6,001	102,004	100,000	100,000	Sales
28	100307	Florida Distillers AUS	CTS	0	0	0	12,000	0	3,000	0	1,707	370	0	0	0	17,307	0	0	CS
29	0000	Paradise Fruit	Sales	3,470	2,000	0,007	22,000	40,000	40,070	44,477	40,430	37,011	30,002	17,373	0,013	314,170	300,000	300,000	Sales
30	30700	* Polk City Board Comm	Sales	10,025	10,077	11,510	10,201	3,002	011	20,002	13,170	10,300	10,040	11,707	10,201	102,204	102,000	102,000	Sales
31	57001	Pulse Mills	Sales	7,700	7,007	0,770	0,104	0,000	0,000	7,021	0,100	0,202	0,402	0,700	00,001	104,100	105,000	105,000	Sales
32	77044	Wilson G Pipe	Sales	15,313	13,000	14,010	10,040	13,203	2,002	0	0	000	1,702	01,001	22,001	132,075	140,000	140,000	Sales
		Total		02,430	01,202	00,200	73,005	00,701	01,007	00,017	04,010	00,373	73,000	02,400	03,001	040,720	023,000	023,000	
		%		0.10%	7.23%	0.04%	0.00%	10.01%	7.20%	10.10%	0.00%	7.71%	0.00%	0.74%	7.00%	100.00%			
		2000 THERMS		57,102	00,714	01,202	02,440	00,430	07,170	00,200	01,001	71,101	00,100	00,000	00,711	023,000			
		2001 THERMS		57,102	00,714	01,202	02,440	00,430	07,170	00,200	01,001	71,101	00,100	00,000	00,711	023,000			

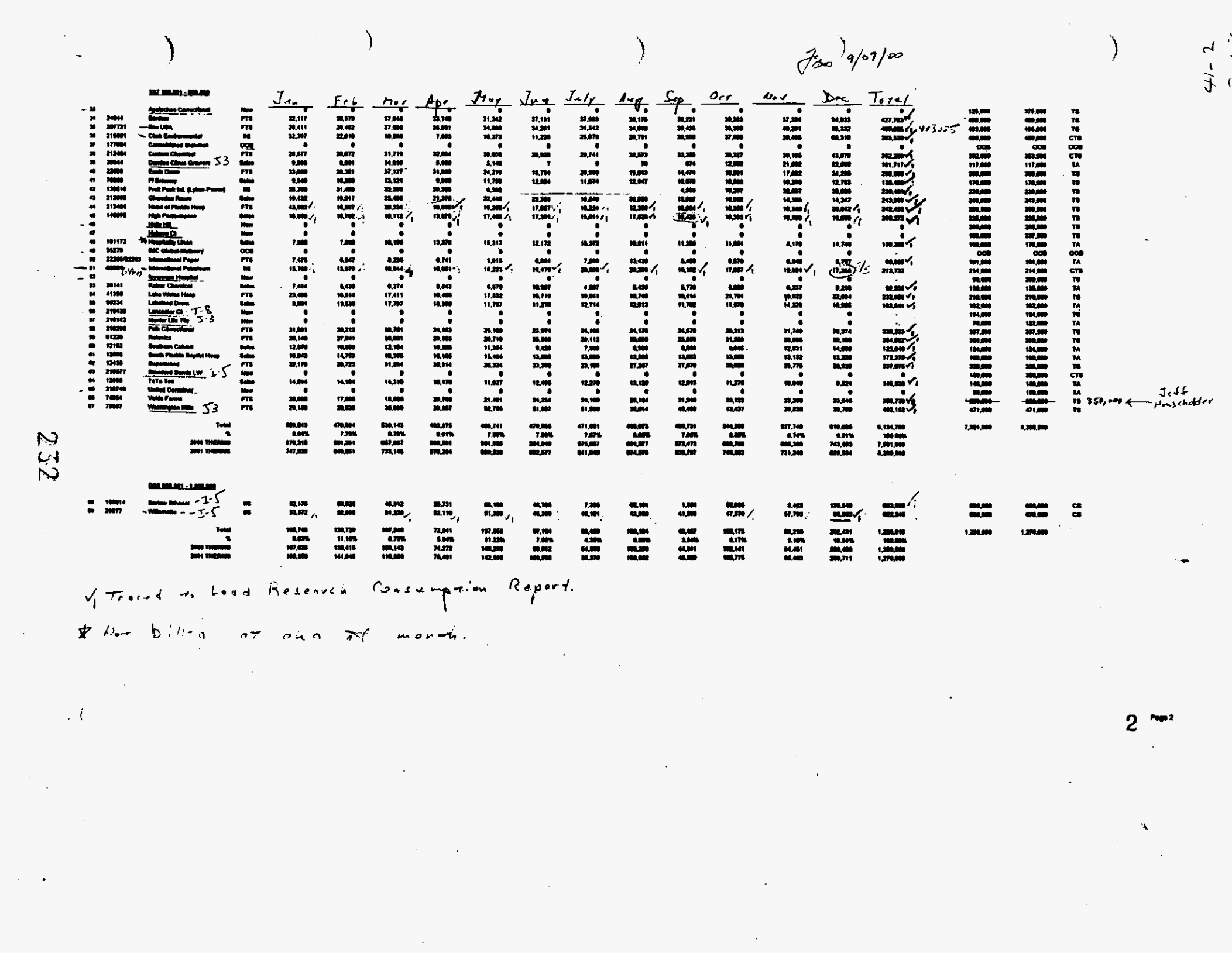
✓1 Tried to Load Research Consumption Report.

* Not billed at end of month.

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23

1 Page 1



Jan Feb Mar Apr May Jun July Aug Sep Oct Nov Dec Total

Total 500,013 470,884 530,143 492,975 466,741 470,886 471,881 466,975 466,731 544,880 527,746 610,535 6,154,709 7,301,000 6,300,000

% 8.04% 7.70% 8.70% 8.01% 7.58% 7.66% 7.67% 8.08% 7.58% 8.85% 8.74% 9.91% 100.00%

2000 THERMS 670,310 691,251 667,667 600,864 564,555 564,649 575,657 604,577 572,473 600,700 665,360 743,655 7,661,668

2001 THERMS 747,550 648,651 793,145 670,304 669,530 662,577 641,860 694,696 656,797 749,923 731,340 828,534 8,390,908

Total 166,748 139,729 167,848 72,841 157,863 97,184 88,489 160,104 69,667 165,175 89,216 262,431 1,226,915 1,200,000 1,270,000

% 8.03% 11.10% 8.79% 5.94% 11.23% 7.92% 4.39% 8.89% 3.04% 8.17% 8.90% 10.91% 100.00%

2000 THERMS 167,835 139,415 169,143 74,272 149,259 88,012 84,888 160,259 64,241 162,141 84,451 255,459 1,200,000

2001 THERMS 166,559 141,848 165,859 70,401 142,559 106,556 89,370 160,062 69,459 168,775 93,660 269,711 1,270,000

✓1 Trend to Load Research Consumption Report.

* Not billed at end of month.

Jeff Householder

				Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total			
		TH 500,001 - 1,000,000																	
70	42	Am-Mex	FTS	41,500	38,572	44,491	37,545	39,321	34,566	37,685	36,891	38,304	39,999	40,632	42,711	466,700	563,000	563,000	TS
71	3836	Crystals International	Sales	45,325	44,674	46,186	43,331	71,330	61,301	70,457	41,866	33,894	36,766	36,567	36,541	551,353	550,000	550,000	TS
72	213762	Femina Nursery	FTS	95,000	87,825	104,170	0	47,002	0	0	0	3,666	30,152	31,642	112,1400	494,311	500,000	500,000	TS
73	4127	Fiesta Bldg & Clay	FTS	59,170	56,877	61,204	58,339	61,466	54,661	51,876	50,288	50,555	73,526	69,733	51,262	726,868	800,000	800,000	TS
74	35304	International Paper	FTS	63,554	63,845	70,868	72,063	91,010	64,164	36,666	39,091	38,387	58,921	64,649	72,247	686,400	710,000	710,000	TS
75	3163	Mrs. Allison's Cookies	FTS	27,466	26,236	29,050	28,165	19,464	25,723	27,453	28,886	22,188	21,936	22,676	13,866	293,488	325,000	634,000	TS
76		NF Reception Correctional	New	0	0	0	0	0	0	0	0	0	0	0	0	0	134,000	530,000	TS
77	210857	Orlando Utilities - 23	CTS	5,675	0	0	10,663	3,915	62,998	103,105	132,764	58,282	62,813	0	3,323	469,839	530,000	530,000	CTS
78	216300	Packaging Corp/Tenneco	FTS	54,052	53,000	58,771	49,200	39,151	61,445	37,410	36,000	31,705	36,016	39,837	42,609	515,709	524,000	524,000	TS
79	213704	Quincy Farms	FTS	67,516	61,126	63,846	70,524	68,643	66,367	66,139	71,377	70,306	70,445	69,749	100,040	857,023	870,000	870,000	TS
80		Standard Sand - DAV	New	0	0	0	0	0	0	0	0	0	0	0	0	0	350,000	700,000	CTS
81	70681	Winter Haven Hospital	FTS	53,469	51,470	60,852	54,864	51,102	46,802	52,844	48,868	49,723	55,705	60,711	63,269	651,360	610,000	610,000	TS
82	200741	Young	CTS	16,464	22,491	46,810	30,740	30,610	36,469	31,888	30,713	30,886	30,612	32,831	6,845	355,644	360,000	360,000	CTS
		Total		571,732	536,975	614,953	476,995	466,995	466,300	553,889	534,607	441,344	466,359	466,628	540,574	6,220,452	6,000,000	6,000,000	
		%		9.19%	8.63%	9.88%	7.67%	8.01%	7.97%	8.90%	8.59%	7.09%	7.50%	7.50%	8.69%	100.00%			
		2000 THERMS		641,651	599,439	686,157	533,171	569,634	557,110	631,894	598,699	496,512	508,561	527,304	606,407	6,956,000			
		2001 THERMS		728,197	679,219	762,067	613,369	643,893	646,666	726,931	668,224	562,693	638,566	666,599	697,666	8,034,000			
		GS 1,000,000 +																	
83	207304	Agrilus	SS	326,223	340,317	377,992	300,316	171,853	303,052	288,141	78,724	98,999	236,844	168,852	164,169	2,760,102	2,000,000	2,000,000	CS
84	35281	IMC Agrico-Nichols	SS	100,000	100,336	102,444	115,432	120,675	96,500	99,744	110,604	105,104	114,500	146,573	139,391	1,350,000	1,000,000	1,000,000	CS
85	TS5873	IMC - Nichols	OCS	52,570	33,397	42,053	39,832	39,497	39,163	40,916	66,500	66,342	51,742	39,499	61,829	535,743	OCS	OCS	OCS
86	8011	Lykes Meat Group	SS	107,144	97,627	114,100	110,167	152,857	140,412	118,510	117,734	132,469	131,165	131,888	122,866	1,473,387	1,830,000	1,830,000	CS
		Total		585,937	571,777	736,589	543,977	489,882	574,105	491,410	371,330	340,894	533,447	587,540	588,991	6,229,991	5,430,000	5,430,000	
		%		9.55%	7.63%	11.97%	10.34%	7.69%	9.23%	7.89%	5.97%	5.57%	8.15%	9.17%	100.00%				
		2000 THERMS		488,978	413,393	552,490	508,530	428,853	469,702	427,733	323,394	301,917	464,323	441,773	443,827	5,426,000			
		2001 THERMS		488,978	413,393	552,490	508,530	428,853	469,702	427,733	323,394	301,917	464,323	441,773	443,827	5,426,000			
		TH 1,000,000 +																	
87	3152	Dart Container	CTS	134,200	118,007	139,057	128,700	126,050	121,000	106,174	130,075	139,000	137,003	126,270	120,040	1,541,626	1,606,000	1,717,000	CTS
88	23754	Flo Chillers LA	CTS	200,700	204,040	207,510	201,411	170,000	41,737	7,240	34,134	70,700	66,000	207,551	1,503,002	2,027,000	2,027,000	CTS	
89	24062	James Hardie	FTS	163,423	164,172	177,174	157,200	160,000	160,000	167,243	164,150	160,000	165,576	171,500	2,222,540	2,300,000	2,415,000	TS	
90	45631	Mentor Container	FTS	104,515	91,470	116,494	114,734	117,033	140,013	127,000	116,040	142,502	151,003	133,000	133,000	1,460,000	1,447,000	1,447,000	TS
91	53322	Pasco Processing (Cty-Cd)	FTS	400,270	365,200	397,310	388,722	66,003	0	0	0	0	0	0	411,314	1,600,300	2,300,000	2,300,000	TS
92	00150	Sun-Pac	FTS	304,000	300,100	283,051	100,100	0	0	0	0	0	100,000	110,302	404,043	1,600,000	1,010,000	1,562,000	TS
		Total		1,402,200	1,143,476	1,270,527	1,004,112	670,300	460,712	440,700	470,000	502,404	600,400	668,443	1,504,000	10,404,707	11,220,000	11,340,000	
		%		13.50%	10.91%	12.16%	10.34%	6.47%	4.70%	4.25%	4.57%	5.00%	6.20%	6.00%	16.11%	100.00%			
		2000 THERMS		1,223,000	1,224,532	1,300,040	1,100,000	720,440	504,000	470,300	512,745	570,230	600,000	726,101	1,000,000	11,300,000			
		2001 THERMS		1,500,207	1,257,010	1,393,570	1,173,300	734,304	550,730	483,401	560,200	570,304	704,000	742,057	1,710,133	11,340,000			
		Special Contract																	
93	39200 / 205	Alcoa (Wenatchee)	TS	402,000	404,330	300,070	304,100	410,040	307,000	411,300	400,000	370,300	430,700	404,000	301,000	4,700,310	3,100,000	3,100,000	TS
94	179226	Ashevelle Power - T5	PSE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	PSE
95	210173	Chelsea - T-4	PSE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	PSE
96	36240	IMC Global New Wales	TS	1,400,000	1,170,000	1,272,000	1,100,000	1,112,700	1,004,000	1,000,000	1,100,000	1,300,000	1,372,500	1,604,000	2,001,300	16,001,300	17,000,000	17,000,000	TS
97	103700	Orange Cogen - T-4	TS	2,500,000	2,007,000	2,000,000	2,000,000	2,477,100	2,004,000	2,000,000	2,470,000	2,007,000	2,000,700	2,000,500	3,000,570	29,000,870	30,000,000	30,000,000	TS
98		Pasco River Cities	New	0	0	0	0	0	0	0	0	0	0	0	0	0	1,000,000	2,000,000	TS
99	101635	Polk Power Partners - T-4	TS	1,300,110	1,204,330	1,300,000	1,240,410	1,300,100	1,102,000	1,400,170	1,400,000	1,204,300	1,410,110	1,207,000	1,427,000	16,007,270	15,700,000	15,700,000	TS
		Total		6,701,030	6,304,730	6,000,010	6,430,470	6,404,720	6,100,130	6,011,000	6,000,000	6,000,000	6,073,000	6,300,700	7,000,700	76,007,000	74,100,000	70,100,000	
		%		8.74%	8.29%	9.04%	8.39%	8.39%	7.97%	8.02%	8.40%	7.21%	7.40%	8.29%	100.00%				
		2000 THERMS		6,070,700	6,144,427	6,704,343	6,333,402	6,102,700	5,000,040	6,000,127	6,004,007	6,000,000	6,000,000	6,100,004	6,000,130	74,100,000			
		2001 THERMS		6,054,530	6,310,107	6,000,170	6,001,334	6,000,700	6,000,270	6,007,010	6,004,000	6,000,007	6,004,000	6,002,000	7,041,004	76,100,000			
		TOTAL THERMS 2000		10,104,667	9,203,671	10,200,495	9,342,469	8,936,570	8,332,000	8,741,443	8,002,003	7,473,172	8,142,217	9,781,483	10,749,470	109,720,000	100,720,000		
		TOTAL THERMS 2001		10,471,782	9,020,010	10,737,402	9,073,000	9,100,332	8,000,100	8,001,000	8,030,071	7,700,014	8,400,732	9,000,707	11,124,120	112,770,000		112,770,000	

V1 Traced to Land Research Consumption Report.

Total Customers : 99
Total Out of Business: 8
New Customers : 11

CENTRAL FLORIDA GAS

September 11, 2000

Mr. Thomas E. Stambaugh
Regulatory Analyst
Division of Regulatory Oversight
Florida Public Service Commission
4950 W. Kennedy Blvd., Suite 310
Tampa, Florida 33609

Dear Mr. Stambaugh:

The following information is provided in response to your request for clarification on the customer contacts conducted as part of the Company's large volume customer market assessment. As you know, these contacts provided data used in the forecast of consumption for the projected test year in the Company's recent rate filing.

The Large Volume Customer and Sales Forecast Data was provided to the Commission as Attachment No. 10 of Staff's First Request for Production of Documents. The forecast included a total of 99 accounts. Several Central Florida Gas employees participated in the collection of information used to assess these accounts.

- (1) Don Headley contacted 71 of the customers. The results of his work are summarized in Attachment Nos. 8a and 8b.
- (2) Eleven of the accounts are new services projected to be on-line in 2000 or 2001. Volumes for these accounts were forecast consistent with the Company's Extension of Facilities feasibility determinations. Company employees David Caldwell and John McLelland worked with the individual customers to assess their usage. The volumes used in the forecast are based on historic alternate fuel consumption (if available), or estimates provided by the customer. The forecasts are summarized in Attachment No. 9 of Staff's First Request for Production of Documents.
- (3) Eight of the accounts were determined to be permanently out-of-business and no longer have active gas service. Sandy Wellborn, Customer Service Manger, verified the status of these accounts.

Central Florida Gas Company
A Division of Chesapeake Utilities Corporation
1015 Sixth Street, NW • P.O. Box 960 Winter Haven, Florida 33881 • 863.293.2125 • 863.294.3895 / fax • www.cfgas.com

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SOURCE: PBG (Tom Geoffroy, Ref. VP/Gen. Mgr.) W/P 44-3

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Mr. Thomas E. Stambaugh
Page 2
September 11, 2000

- The nine remaining accounts were addressed as follows:

1. Wal-Mart: This facility has a desiccant cooling system. David Caldwell handles gas cooling accounts for the Company, and works directly with Wal-Mart. He provided the consumption forecast for the Wal-Mart account.

2. Bartow Memorial Hospital: Service was initiated to this hospital in late 1999. David Caldwell worked on the account, and provided consumption estimates from the Company's Extension of Facilities feasibility determination.

3. Baytree Management: Baytree is a large master-metered residential condominium complex. Sandy Wellborn provided account history and estimated future consumption.

4. Polk County Board of Commissioners: County jail facility. Consumption data provided by Sandy Wellborn.

5. Orlando Utilities: OUC currently manages the St. Cloud Power Plant. The plant is used as a last resort peak generator, and historically has rarely dispatched. The forecast volumes are based on historical consumption, since even the plant operators have little capability of projecting their operating hours.

6. Polk Power Partners: The forecasted volumes reflect the change in operations due to the restructuring of their electric contracts with Florida Power Corp. and TECO which puts these facilities on a "call" basis for generation of electricity.

7. Auburndale Power Partners: The rate for this Special Contract account is not based on gas volume. They pay a fixed monthly customer charge.

8. Citrosuco: The rate for this Special Contract account is not based on gas volume. They pay a fixed monthly customer charge.

9. Orange Cogen: The forecasted volumes reflect the change in operations due to the restructuring of their electric contracts with

SOURCE: PBC

09/11/00 11:00 [illegible]

Florida Power Corp. and TECO which puts these facilities on a "call" basis for generation of electricity.

Please let me know if you need additional information.

Sincerely,

Thomas A. Geoffroy
Assistant Vice President

pl

Auditor Interest:

(1) Provided to Tampa office staff by Ft. St. Hope.

11-2 (2) Attachment No. 9 was not sent to the auditor for verification.

11-2 (3) "Out Of Business" (OOB) accounts were noted by auditor on the Utility's report.

(4) For Auburndale Power Partners and Citrosuco, revenue is not tied to volumes of gas supplied. Therefore, a therm forecast would not be a basis for revenue projection.

11-2 p.3 (5) Actual 1999 Tax was over 39,392,700 therms. Use of 2000 and 2001 was projected to be 36,800,000 therms each year. Annualized projection by FPSC auditor is 38,502,709 which is 1/3 of the difference.

SOURCE: DBC (Tom Geoffroy, Asst VP Rates & Regs.) W/P 41-3
2 of 2

CENTRAL FLORIDA GAS COMPANY

UTILITY INFORMATION ABOUT NATURAL GAS & #6 OIL PRICES

AS OF 12/31/99

Dkt 000108-GU

09/11/00 16:45 ☎8632943896 CHESAPEAKE FL

Natural Gas Rates VS No. 6 Fuel Oil

	IMC No. 6 Oil per Therm Equvilent Price	Natural Gas Price Therm	Difference
Jan	$ 0.3368	$ 0.29439	$ 0.0424
Feb	$ 0.3368	$ 0.32398	$ 0.0128
Mar	$ 0.4187	$ 0.32477	$ 0.0939
Apr	$ 0.4010	$ 0.34832	$ 0.0517
May	$ 0.3624	$ 0.36717	$(0.0048)
Jun	$ 0.3965	$ 0.52091	$(0.1224)
Jul	$ 0.4302	$ 0.49422	$(0.0640)
Aug	$ 0.3995	$ 0.42475	$(0.0253)
Sep			
Oct			
Nov			
Dec			

PEC

The variance prices of #6 oil based on fuel #6 oil is May

IMC Natural Gas Consumption in year 2000: (Cust # 35261)

	Month	Therms	Monthly Change
	January	118898	
	February	117524	826
	March	145316	25792
	April	149526	4210
	May	134464	<15062>
	June	126079	<8385>
	July	86641	<39438>

Price of #6 oil lower than gas

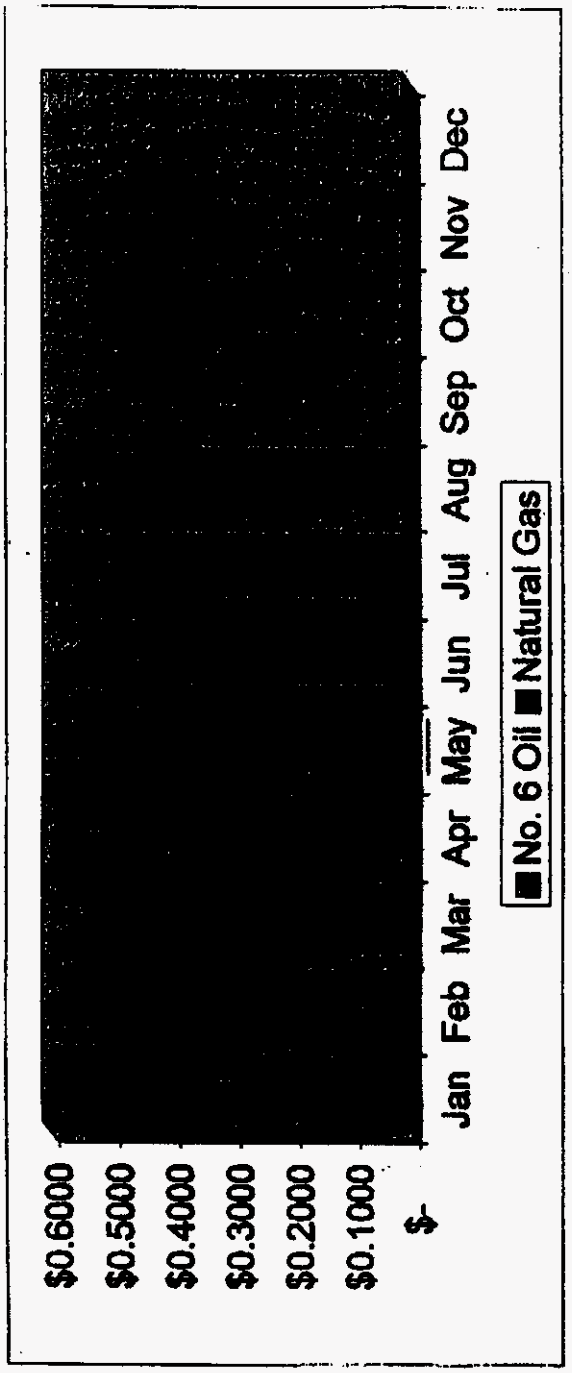
Conclusion: Use of natural gas was reduced as the price of #6 oil dropped in relation to the price of natural gas.

SOURCE: PEC (Cust. Trans. Asst VP/Gen. Mgr.)

W/P 41-4 pg 2

~~CENTRAL FLORIDA GAS COMPANY~~
UTILITY INFORMATION ABOUT NATURAL GAS & #6 OIL PRICES
AS OF 12/31/99

Dkt 000108-GU



FPSC Auditor's Note:

The relative prices of #6 oil and natural gas began to favor #6 O.V in May, 2000.

PBC

00/11/00

SOURCE: PBC Chuck Tom Trotter, Asst VP/Gen Mgr.

W/P 41-4

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Staff's Second Request for Production of Documents, Nos. 15-31
Reports for Schedule 7 of the Testimony of Paul Moul

Staff's Second Request for Production of Documents, Nos. 15-31
Workpapers for Schedule 6 of the Testimony of Paul Moul

Staff's Second Request for Production of Documents, Nos. 15-31
Workpapers for Schedule 7 of the Testimony of Paul Moul

Answers to Staff's Third Set of Interrogatoriess, Nos. 27, 36, 40, 41, 48, 49, 64, 65, 66, 67, 70, 72, 73, 81, 83, 86, 95, 101

Answers to Staff's Third Set of Interrogatories, Nos. 23, 25, 28, 32-33, 35, 46-47, 50-51, 53-54, 57-63, 69, 71, 75, 78-79, 85, 88-91, 94, 97, 99, 105-107, 111-113, 123, 130

Answers to Staff's Third Set of Interrogatories, Nos. 21, 22, 24, 26, 29, 31, 34, 38, 39, 43, 44, 52, 55, 56, 74, 76, 77, 93, 102, 104, 108, 125-128

Late-Filed Deposition Exhibits From Chesapeake Witness Paul Moul
Nos. 1-4

Late-Filed Deposition Exhibits From Chesapeake Witnesses James Williams and Tom Geoffroy, Nos. 11-13

Attachment 27

STAFF'S SECOND REQUEST FOR PRODUCTION OF DOCUMENTS TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (NOS. 15-31)
DOCKET NO. 000108-GU.

Reports for Schedule 7

000002

ATMOS ENERGY CORP. NYSE-ATO

RECENT PRICE 22 | P/E RATIO 15.5 (Trailing: 15.0 / Median: 15.0) | P/E RATIO 1.08 | YLD 5.2% | LINE 405

TIMELINESS 5 Lowered 3/19/99
SAFETY 2 Raised 9/25/98
TECHNICAL 3 Raised 11/19/99
BETA .55 (1.00 = Market)

2002-04 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	50	(+125%)	26%
Low	35	(+60%)	15%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	4	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	1Q1999	2Q1999	3Q1999
to Buy	43	35	42
to Sell	37	35	28
Hld's(000)	10872	10820	10673

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	Target Price Range 2002	2003	2004
High:	11.5	12.0	12.5	15.3	15.9	21.2	20.3	23.0	31.0	30.5	32.3	33.0			
Low:	8.2	9.8	10.4	10.5	12.7	15.2	15.9	16.1	20.9	22.1	24.8	20.8			

LEGENDS
1.70 x Dividends p sh divided by Interest Rate
Relative Price Strength
3-for-2 split 5/94
Options: No
Shaded area indicates recession

% TOT. RETURN 11/99

	THIS STOCK	VL ARITH. INDEX
1 yr.	-23.7	10.6
3 yr.	2.4	44.7
5 yr.	58.8	121.2

Atmos Energy's history dates back to 1906 and the Texas Panhandle. Over the years, through various mergers, it became part of Pioneer Corporation, and, in 1981, Pioneer named its gas distribution division Energas. In 1983, Pioneer organized Energas as a separate subsidiary and distributed the outstanding shares of Energas to Pioneer shareholders. Energas changed its name to Atmos in 1988. Atmos acquired Trans Louisiana Gas in 1986, Western Kentucky Gas Utility in 1987, Greeley Gas in 1993, and United Cities Gas in 1997.

	1989	1990	1991	1992	1993	E1994	1995	1996	1997	1998	1999	2000	VALUE LINE PUB., INC.	02-04
	37.46	38.46	33.04	32.46	31.54	32.67	28.08	30.19	30.55	27.90	22.10	26.80	Revenues per sh A	37.15
	2.48	2.68	2.38	2.63	2.39	2.19	2.55	2.80	2.85	3.38	3.75	2.60	"Cash Flow" per sh	5.45
	.99	.96	.80	.97	1.19	.97	1.22	1.31	1.34	1.34	.31	1.80	Earnings per sh B	3.00
	.73	.77	.80	.93	.95	.98	.92	.96	1.01	1.06	1.10	1.15	Div'ds Decl'd per sh C●	1.40
	2.27	2.77	2.97	3.18	2.87	3.29	4.05	4.84	4.13	4.44	3.50	2.30	Cap'l Spending per sh	3.60
	8.50	8.71	8.88	9.17	9.64	9.78	10.20	10.75	11.04	12.21	12.20	12.95	Book Value per sh	17.45
	9.14	9.15	10.17	10.48	14.33	15.30	15.52	16.02	29.64	30.40	31.20	31.70	Common Shs Outst'g D	35.00
	11.9	11.7	14.4	14.2	14.7	19.2	15.0	15.1	17.9	15.4	33.0		Avg Ann'l P/E Ratio	14.0
	.90	.87	.92	.86	.87	1.26	1.00	.95	1.03	.91	1.82		Relative P/E Ratio	.95
	7.1%	6.7%	6.9%	6.0%	4.9%	4.7%	5.0%	4.2%	4.2%	3.7%	4.1%		Avg Ann'l Div'd Yield	3.5%
	342.4	352.0	336.1	340.1	459.4	499.8	435.6	483.7	906.8	948.2	690.2	850	Revenues ($mill) A	1300
	9.1	9.0	7.9	10.0	17.0	14.7	18.8	23.9	39.2	55.3	25.0	56.0	Net Profit ($mill)	105
	31.4%	32.2%	27.5%	32.7%	37.7%	35.5%	33.8%	35.7%	37.5%	36.3%	35.0%	37.0%	Income Tax Rate	37.0%
	2.7%	2.5%	2.4%	2.9%	3.7%	2.9%	4.3%	5.0%	4.3%	5.5%	3.6%	6.5%	Net Profit Margin	8.0%
	54.2%	51.7%	52.3%	49.7%	43.3%	46.0%	45.3%	41.5%	48.1%	51.3%	54.0%	52.0%	Long-Term Debt Ratio	48.0%
	45.8%	48.3%	47.7%	50.3%	56.7%	52.0%	54.7%	58.5%	51.9%	48.2%	46.0%	48.0%	Common Equity Ratio	52.0%
	169.7	165.2	189.5	190.8	244.6	287.9	289.6	294.6	650.2	769.7	830	860	Total Capital ($mill)	1180
	194.8	194.9	205.7	219.4	299.3	327.4	363.3	413.6	949.1	917.9	965.8	1015	Net Plant ($mill)	1215
	7.3%	8.1%	6.6%	7.9%	9.2%	7.2%	8.9%	10.6%	8.3%	9.0%	5.0%	8.0%	Return on Total Cap'l	10.0%
	10.4%	11.2%	8.8%	10.4%	12.3%	9.8%	11.9%	13.9%	12.0%	14.9%	6.5%	14.0%	Return on Shr. Equity	17.0%
	10.4%	11.2%	8.8%	10.4%	12.3%	9.8%	11.9%	13.9%	12.0%	14.9%	6.5%	14.0%	Return on Com Equity	17.0%
	1.5%	2.4%	--	1.5%	5.6%	1.3%	2.9%	5.1%	3.9%	6.3%	NMF	5.0%	Retained to Com Eq	3.0%
	84%	79%	100%	85%	54%	86%	76%	64%	67%	58%	NMF	65%	All Div'ds to Net Prof	47%

CAPITAL STRUCTURE as of 6/30/99
Total Debt $509.8 mil. Due in 5 Yrs $195.0 mil.
LT Debt $381.4 mil. LT Interest $25.0 mil.
(LT interest earned: 4.1x; total interest coverage: 3.5x) (49% of Cap'l)

Leases, Uncapitalized Annual rentals $5.6 mil.
Pfd Stock None

Common Stock 31,073,040 shs. (51% of Cap'l)
as of 7/31/99
MARKET CAP: $685 million (Small Cap)

CURRENT POSITION ($MILL.)	1997	1998	6/30/99
Cash Assets	6.0	4.7	14.4
Other	137.7	102.7	91.1
Current Assets	143.7	107.4	105.5
Accts Payable	62.6	44.7	50.3
Debt Due	182.5	124.2	128.4
Other	68.1	55.2	54.0
Current Liab.	313.2	224.1	232.7
Fix. Chg. Cov.	272%	401%	350%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '96-'98 to '02-'04
Revenues	-2.5%	-2.0%	4.0%
"Cash Flow"	3.5%	4.0%	10.5%
Earnings	4.5%	9.5%	11.5%
Dividends	4.0%	4.0%	5.5%
Book Value	4.5%	4.0%	7.5%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
1996	130.5	191.1	93.6	68.5	483.7
1997	280.6	362.6	143.7	119.9	906.8
1998	295.3	258.6	137.3	127.0	848.2
1999	210.2	251.4	109.6	109.0	690.2
2000	*260*	*300*	*160*	*130*	*850*

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
1996	.59	1.15	.02	d.25	1.51
1997	.62	1.14	d.10	d.32	1.34
1998	.68	1.25	.04	d.13	1.84
1999	.50	1.01	d.17	d.53	.81
2000	*.64*	*1.30*	*.01*	*d.15*	*1.80*

Calendar	QUARTERLY DIVIDENDS PAID C● Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1995	.23	.23	.23	.24	.93
1996	.24	.24	.24	.25	.97
1997	.25	.25	.255	.265	1.02
1998	.265	.265	.265	.275	1.07
1999	.275	.275	.275	.285	

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas through five regulated natural gas utility divisions: Energas Co. in West Texas (300,000 customers), Western Kentucky Gas Utility (178,000), Trans Louisiana Gas (81,000), Greeley Gas (115,000), and United Cities Gas (316,000). Combined 1998 volume handled: 159 Bcf. Breakdown: 46% residential; 23%, commercial; 31%, industrial and other. '98 depreciation rate 3.3%. Has 2,193 employees, 36,949 common stockholders. Officers and directors own approx. 1.2% of common stock (12/98 Proxy). Chairman, C.E.O., & President: Robert Best, Inc.: Texas. Address: P.O. Box 650205, Dallas, TX 75265. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

Fiscal 1999 was a difficult period for Atmos Energy (year ended September 30th). Excluding non-recurring items, earnings plunged more than 50%, year over year, attributable largely to unusually warm weather. Results were also hampered by a nearly 9% increase in operation and maintenance (O&M) expenses, stemming from costs associated with the company's customer support center, Year 2000 compliance initiatives, and improvements in a number of systems and procedures. Regulatory lag resulting from capital investments not yet included in rates further eroded ATO's bottom line in '99.

But fiscal 2000 is looking much brighter for the company. As a way of softening the damaging effects of warmer temperatures, ATO has filed rate cases in Texas and Kentucky in which it is seeking total revenues of around $28 million. Management expects these filings to be completed over the next couple of months, and affect around half of the total customer base. Furthermore, given that the abovementioned systems and procedures are now in place, it is likely that O&M expense will taper off next year. All told, we believe ATO's fiscal 2000 share-net could surge to $1.80.

Meanwhile, the company has announced it will acquire Southwestern Energy's Missouri gas operations. Management plans to finance the $32 million purchase with debt. Our estimates and projections will reflect the deal when it is completed, expected during mid-2000. (We look for the transaction to be slightly accretive to earnings in the first year and modestly more positive to share net thereafter). In addition to the economies of scale to be gained from the acquisition, Atmos' position in Missouri should be significantly bolstered, as the customer base would increase by roughly 48,000 (more than double the current level).

These untimely shares have fallen over the past few months, reflecting the company's lackluster fiscal '99 results. But the stock has good long-term total-return potential. It also bears a good Safety rank and a healthy dividend yield. All things considered, the equity may appeal to conservative, income-oriented investors.

Frederick L. Harris, III December 24, 1999

(A) Fiscal year ends Sept. 30th.
(B) Diluted shrs. Excl. nonrecurring losses: '97, 53c; '99, 23c. Next egs. report due late Jan.
(C) Next div. meeting about Feb. 10th. Goes ex about Feb. 20th. Approx. rate div. pmt. dates: 10th of March, June, Sept., Dec. ● Div. reinvestment plan avail. (3% discount).
(D) In millions, adjusted for stock splits.
(E) Years prior to 1994 are not comparable due to acquisition using pooling of interest method.
(F) Atmos completed its merger with United Cities Gas Company in July, 1997.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	55
Earnings Predictability	50

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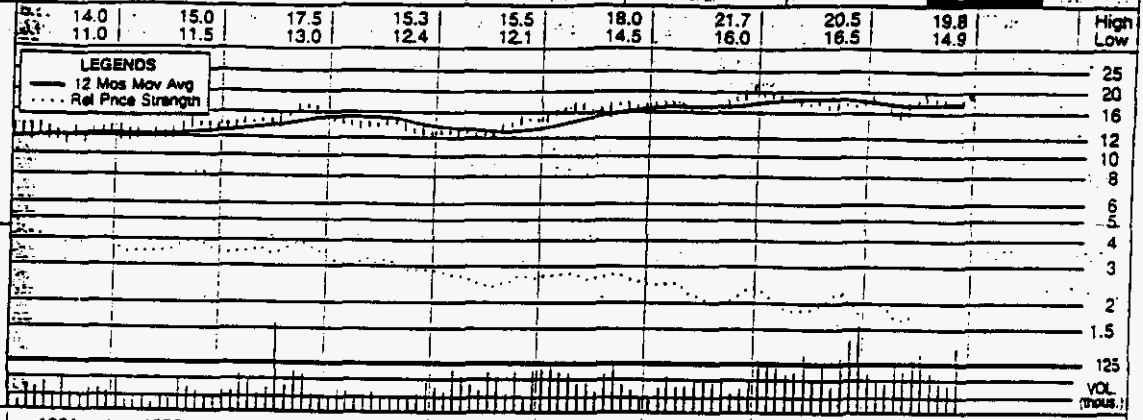
CHESAPEAKE UTILITIES NYSE-CPK

PRICE 19 | P/E RATIO 15.8 | P/E RATIO 0.93 | YLD 5.5% | VALUE LINE 3452

RANKS

PERFORMANCE	3	Average
Technical	3	Average
SAFETY	2	Above Average
BETA .40	(1.00 = Market)	

Financial Strength	B+
Price Stability	100
Price Growth Persistence	10
Earnings Predictability	55



© VALUE LINE PUBLISHING, INC.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000/2001
SALES PER SH	20.11	21.55	24.02	27.67	27.68	26.80	27.45	35.88	--	
"CASH FLOW" PER SH	2.15	2.31	2.52	2.70	3.38	2.70	2.63	2.38	--	
EARNINGS PER SH	.90	1.00	1.10	1.23	1.95	1.82	1.27	1.04	*1.60*[A,B]	*1.70*[C]*/NA*
DIV'DS DECL'D PER SH	.86	.86	.86	.88	.90	.93	.97	.99	--	
CAP'L SPENDING PER SH	1.65	1.83	2.80	2.94	3.11	3.16	2.77	2.35	--	
BOOK VALUE PER SH	9.26	9.40	9.74	10.40	11.26	10.57	11.26	11.01	--	
COMMON SHS OUTST'G (MILL)	3.47	3.52	3.58	3.56	3.76	4.45	4.47	5.12	--	
AVG ANN'L P/E RATIO	13.9	12.8	13.7	11.3	6.9	9.1	14.0	17.4	*11.9*	*11.2/NA*
RELATIVE P/E RATIO	1.01	.85	.84	.74	.46	.57	.81	.90	--	
AVG ANN'L DIV'D YIELD	6.9%	6.7%	5.7%	6.4%	6.7%	5.6%	5.5%	5.5%	--	
SALES ($MILL)	69.8	75.9	85.9	98.6	104.0	119.3	122.8	183.6	--	
OPERATING MARGIN	14.6%	13.8%	15.6%	12.5%	21.2%	18.3%	17.2%	12.3%	--	
DEPRECIATION ($MILL)	4.4	4.7	5.1	5.1	5.5	5.1	6.1	6.9	--	
NET PROFIT ($MILL)	3.1	3.5	3.9	4.5	7.2	6.9	5.7	5.3	--	
INCOME TAX RATE	--	--	33.7%	--	36.3%	36.9%	36.4%	37.9%	--	
NET PROFIT MARGIN	4.4%	4.6%	4.6%	4.5%	7.0%	5.8%	4.6%	2.9%	--	
WORKING CAP'L ($MILL)	d4.6	d1.7	d1.9	d3.4	d1.6	d5.8	d2.6	d2.9	--	
LONG-TERM DEBT ($MILL)	23.1	25.7	25.7	24.3	29.8	29.0	38.2	37.6	--	
SHR. EQUITY ($MILL)	32.2	33.1	34.8	37.1	42.3	47.1	50.3	56.4	--	
RETURN ON TOTAL CAP'L	7.8%	7.8%	8.5%	9.2%	11.6%	10.7%	7.7%	7.2%	--	
RETURN ON SHR. EQUITY	9.6%	10.5%	11.2%	12.0%	17.1%	14.7%	11.3%	9.4%	--	
RETAINED TO COM EQ	.9%	2.0%	3.7%	4.7%	10.5%	8.4%	3.7%	1.8%	--	
ALL DIV'DS TO NET PROF	91%	81%	67%	61%	39%	43%	67%	81%	--	

Bold figures are consensus earnings estimates and, using the recent prices, P/E ratios.

[A] No. of analysts changing earn. est. in last 11 days: 0 up, 0 down. consensus 5-year earnings growth 6.0% per year. [B] Based upon 3 analysts' estimates. [C] Based upon 2 analysts' estimates.

ANNUAL RATES

of change (per share)	5 Yrs.	1 Yr.
Sales	6.5%	30.5%
"Cash Flow"	2.0%	-9.5%
Earnings	6.5%	-18.0%
Dividends	2.5%	2.5%
Book Value	3.0%	-2.0%

QUARTERLY SALES ($mill.)

Fiscal Year	1Q	2Q	3Q	4Q	Full Year
12/31/97	43.7	24.8	19.9	34.4	122.8
12/31/98	60.2	43.6	36.2	43.6	183.6
12/31/99	55.6	46.8	56.5		
12/31/00					

EARNINGS PER SHARE

Fiscal Year	1Q	2Q	3Q	4Q	Full Year
12/31/96	1.23	.22	d.10	.47	1.82
12/31/97	.75	.16	d.17	.53	1.27
12/31/98	.80	.05	d.25	.44	1.04
12/31/99	.94	.15	d.15	*.66*	
12/31/00					

QUARTERLY DIVIDENDS PAID

Calendar	1Q	2Q	3Q	4Q	Full Year
1996	.225	.232	.232	.232	.92
1997	.233	.243	.243	.243	.96
1998	.242	.25	.25	.25	.99
1999	.25	.25	.26	.26	1.02

INSTITUTIONAL DECISIONS

	1Q'99	2Q'99	3Q'99
to Buy	5	7	7
to Sell	11	8	3
Hld's(000)	646	628	631

ASSETS ($mill.)	1997	1998	9/30/99
Cash Assets	.6	2.6	1.5
Receivables	13.1	14.9	19.3
Inventory (Avg cost)	3.7	3.5	4.0
Other	6.7	5.6	5.4
Current Assets	24.1	26.6	30.2
Property, Plant & Equip. at cost	143.4	153.0	--
Accum Depreciation	43.9	48.7	--
Net Property	99.5	104.3	113.0
Other	13.8	14.3	13.4
Total Assets	137.4	145.2	156.6
LIABILITIES ($mill.)			
Accts Payable	12.5	11.1	19.7
Debt Due	8.2	12.1	13.8
Other	6.0	6.3	7.6
Current Liab	26.7	29.5	41.1

LONG-TERM DEBT AND EQUITY as of 9/30/99

Total Debt $49.0 mill. Due in 5 Yrs. NA
LT Debt $35.1 mill. Including Cap. Leases NA (37% of Cap'l)
Leases, Uncapitalized Annual rentals NA

Pension Liability $1.5 mill. in '98 vs. None in '97

Pfd Stock None Pfd Div'd Paid None

Common Stock 5,162,827 shares (53% of Cap'l)

INDUSTRY: Natural Gas (Distrib.)

BUSINESS: Chesapeake Utilities Corp. distributes natural gas and propane, and provides information technology services. The company's three natural gas distribution divisions serve approximately 37,100 residential, commercial, and industrial customers in southern Delaware, Maryland's eastern shore, and central Florida. The natural gas transmission subsidiary operates a 273-mile interstate pipeline system that transports gas from various points in Pennsylvania to the company's Delaware and Maryland distribution divisions. The propane segment serves approximately 35,000 customers in southern Delaware, the eastern shore of Maryland, and Virginia. The advanced information services segment provides consulting, custom programming, training, and development tools for national and international clients. Has 456 employees. Chairman & C.E.O.: Ralph J. Adkins. Inc.: DE. Address: 909 Silver Lake Boulevard, Dover, DE 19904. Tel.: 302 734-6713. Internet: http://www.chpk.com.

O.M.

December 24, 1999

TOTAL SHAREHOLDER RETURN

Dividends plus appreciation as of 11/30/1999

3 Mos.	6 Mos.	1 Yr.	3 Yrs.	5 Yrs.
1.76%	4.29%	10.29%	26.63%	93.05%

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ENERGEN CORP. NYSE-EGN

RECENT PRICE 16 | P/E RATIO 11.4 (Trailing: 12.6 / Median: 13.0) | RELATIVE P/E RATIO 0.79 | DIV'D YLD 4.2% | VALUE LINE 469

TIMELINESS 3 Raised 11/5/99
SAFETY 2 New 7/27/90
TECHNICAL 2 Raised 12/3/99
BETA .75 (1.00 = Market)

2002-04 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	35	(+120%)	24%
Low	25	(+55%)	15%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	1	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	2
to Sell	0	0	0	0	1	0	0	0	1

Institutional Decisions

	1Q1998	2Q1998	3Q1998
to Buy	47	40	56
to Sell	33	42	28
Hld's(000)	15212	14478	15159

	High:	8.6	12.2	10.3	9.4	9.6	13.4	11.9	12.6	15.6	20.6	22.5	21.3
	Low:	6.2	7.7	8.0	8.0	7.5	9.1	9.6	10.1	10.9	14.5	15.1	13.1

Target Price Range 2002 | 2003 | 2004

LEGENDS
1.40 x Dividends p sh divided by Interest Rate
Relative Price Strength
3-for-2 split 3/99
2-for-1 split 3/98
Options: No
Shaded area indicates recession





% TOT. RETURN 11/99

	THIS STOCK	VL ARITH. INDEX
1 yr.	11.0	10.6
3 yr.	57.8	44.7
5 yr.	138.5	121.2

1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	© VALUE LINE PUB., INC.	02-04
33.08	34.39	29.89	28.54	25.06	22.75	15.92	16.45	16.11	16.30	17.30	17.27	14.72	17.89	15.57	17.14	16.60	14.60	Revenues per sh A	16.40
1.47	1.44	1.53	1.59	2.02	2.12	1.73	1.83	1.89	2.05	2.10	2.28	2.24	2.81	3.38	4.00	4.30	3.75	"Cash Flow" per sh	4.10
.53	.51	.47	.41	.70	.84	.60	.68	.71	.77	.89	1.01	.89	.98	1.18	1.23	1.32	1.45	Earnings per sh B	1.95
.28	.30	.33	.35	.37	.39	.42	.46	.48	.51	.53	.55	.57	.59	.61	.63	.65	.67	Div'ds Decl'd per sh C=	.75
1.28	1.49	2.72	3.22	3.33	2.58	3.07	2.12	2.32	1.11	2.12	2.09	3.16	7.54	9.54	5.95	8.15	6.30	Cap'l Spending per sh	5.85
4.48	4.68	4.83	4.85	5.02	5.59	5.84	5.10	6.04	6.38	6.80	7.55	7.97	8.44	10.46	11.23	12.00	13.45	Book Value per sh D	18.05
11.83	11.99	12.51	12.93	13.09	15.98	19.39	19.75	20.21	20.37	20.64	21.94	21.92	22.33	28.50	29.33	30.00	35.00	Common Shs Outst'g E	38.00
5.8	7.4	9.5	12.3	10.1	8.3	16.1	13.3	12.6	11.0	12.4	11.1	12.3	12.0	13.4	15.4	13.5		Avg Ann'l P/E Ratio	14.5
.49	.69	.77	.97	.58	.59	1.22	.99	.80	.57	.73	.73	.82	.75	.77	.81	.75		Relative P/E Ratio	.95
9.1%	7.9%	7.2%	6.7%	5.2%	5.6%	4.4%	5.1%	5.4%	6.0%	4.8%	4.9%	5.2%	5.0%	3.9%	3.3%	3.6%		Avg Ann'l Div'd Yield	2.7%
308.6	324.9	325.6	332.0	357.1	377.1	321.2	399.4	448.2	502.6	497.5	510	Revenues ($mill) A	700
11.2	13.3	14.2	15.8	18.2	21.8	19.3	21.5	29.0	36.3	39.5	48.0	Net Profit ($mill)	65.0
8.6%	8.9%	2.5%	2.4%	15.8%	22.7%	16.0%	19.0%	9.9%	9.6%	--	10.0%	Income Tax Rate	14.0%
3.6%	4.1%	4.4%	4.8%	5.1%	5.8%	6.0%	5.4%	6.5%	7.2%	7.9%	6.5%	Net Profit Margin	9.2%
42.7%	40.4%	38.6%	40.8%	38.0%	41.5%	43.1%	50.9%	48.1%	53.1%	51.0%	45.0%	Long-Term Debt Ratio	51.0%
58.1%	58.7%	60.6%	58.4%	62.0%	58.5%	56.9%	49.1%	51.9%	46.9%	49.0%	54.0%	Common Equity Ratio	49.0%
201.9	205.2	201.5	222.3	226.2	295.3	305.5	384.0	560.7	702.0	735	875	Total Capital ($mill)	1245
246.6	262.2	273.5	254.6	273.1	287.2	327.3	444.9	667.0	756.3	865	980	Net Plant ($mill)	1250
7.2%	8.3%	8.8%	9.1%	10.1%	9.5%	8.3%	7.1%	6.4%	6.8%	7.0%	6.5%	Return on Total Cap'l	6.0%
9.7%	10.9%	11.5%	12.0%	12.9%	13.1%	11.1%	11.4%	9.6%	11.0%	11.0%	9.0%	Return on Shr. Equity	10.5%
9.8%	10.9%	11.6%	12.1%	12.9%	13.1%	11.1%	11.4%	9.6%	11.0%	11.0%	9.0%	Return on Com Equity	10.5%
2.9%	3.7%	3.8%	4.2%	5.2%	6.0%	4.0%	4.6%	4.5%	5.5%	5.5%	4.0%	Retained to Com Eq	6.0%
70%	67%	68%	66%	60%	54%	64%	60%	53%	50%	49%	54%	All Div'ds to Net Prof	44%

CAPITAL STRUCTURE as of 6/30/99
Total Debt $488.7 mil. Due in 5 Yrs $200.0 mil.
LT Debt $371.8 mil. LT Interest $26.5 mil.
(Total interest coverage: 2.0x)

Leases, Uncapitalized Annual rentals $3.9 mil.

Pension Liability None

Pfd Stock None
Common Stock 29,822,527 shs.
as of 8/12/99

MARKET CAP: $480 million (Small Cap)

CURRENT POSITION ($MILL.)	1997	1998	6/30/99
Cash Assets	105.4	103.2	4.4
Other	136.8	115.3	125.8
Current Assets	242.2	218.5	130.2
Accts Payable	49.2	33.5	33.4
Debt Due	203.9	160.2	116.9
Other	77.7	90.5	108.2
Current Liab.	330.8	284.2	258.5
Fix. Chg. Cov.	227%	205%	190%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '96-'98 to '02-'04
Revenues	-.0%	.5%	1.5%
"Cash Flow"	5.5%	10.5%	4.0%
Earnings	5.5%	7.5%	9.5%
Dividends	5.0%	4.0%	3.5%
Book Value	7.0%	9.5%	8.0%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
1996	78.8	171.0	67.1	62.5	399.4
1997	97.0	182.9	90.9	77.4	448.2
1998	125.8	199.0	100.7	78.1	502.6
1999	114.0	188.4	108.5	86.6	497.5
2000	*115*	*195*	*110*	*90.0*	*510*

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
1996	.11	1.07	.05	d.24	F.98
1997	.14	1.21	.12	d.29	F1.16
1998	.21	1.37	--	d.34	F1.23
1999	.13	1.42	.06	d.28	F1.32
2000	*.18*	*1.45*	*.05*	*d.23*	*1.45*

Calendar	QUARTERLY DIVIDENDS PAID C= Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1995	.14	.14	.145	.145	.57
1996	.145	.145	.15	.15	.59
1997	.15	.15	.155	.155	.61
1998	.155	.155	.16	.16	.63
1999	.16	.16	.165	.165	

BUSINESS: Energen Corporation is a holding company. Its principal subsidiary, the Alabama Gas Corporation, sells to more than 465,000 customers in central and northern Alabama, including Birmingham and Montgomery. 1998 utility revenues: residential, 65.4%; commercial and industrial, 24.2%; transport and other, 10.4%. 1998 deliveries: 115.3 MMcf. Energy Resources Corporation, a subsidiary, engages primarily in exploration and production of natural gas. 1998 gas reserves: coalbed methane, 222.5 MMcf; conventional, 542.4 MMcf. Has about 1,420 employees. Chairman, President & C.E.O.: Wm. Michael Warren, Jr. Inc.: AL. Addr.: 2101 Sixth Avenue North, Birmingham, AL 35203-2784. Telephone: 205-326-2700. Internet addr.: http://www.energen.com.

Energen Corporation posted solid bottom-line gains in fiscal 1999 (ended September 30th). Excluding a non-recurring asset sale gain of $0.06 during this year's second quarter, earnings per share rose 7% compared to the 1998 tally, as both the regulated and non-regulated businesses performed well.

The Alabama-based natural gas utility, Alagasco, generated a return on equity of 13.55%, thanks to the state's Rate Stabilization and Equalization (RSE) mechanism. Though weather in the service area was 26% warmer than normal and 27% warmer than last year, this had virtually no impact on Alagasco's operations (which are protected by temperature-based adjustments).

Energen Resources, the oil and gas subsidiary, was helped greatly by an aggressive hedge program, which offset much of the devastating effects of slumping commodity prices early in the fiscal year. As a result of the operation's dogged acquisition and exploitation efforts, production of gas, oil, and liquids surged approximately 35% in 1999, while proved reserves rose to more than 1 trillion cubic feet equivalent (a new record).

We anticipate good results for the company going forward. Assuming that the RSE and temperature-adustment mechanisms remain in place, Alagasco should be a steady performer in the coming years. Furthermore, given Energen Resources' aggressive growth strategy and long-lived reserve base, we think it will be well positioned to generate strong results over the long haul. All told, we expect corporate earnings to increase around 10% annually, on average, over the coming 3- to 5-year period.

Energen shares are neutrally ranked for Timeliness. But they offer good risk-adjusted, long-term total return potential. Steady earnings and dividend growth appears possible as the customer base expands in the years ahead. (Of note, the increase in common shares outstanding in fiscal 2000 reflects management's anticipation of an estimated $90 million equity offering. The proceeds would be used to help refinance the short-term debt incurred from Energen's acquisition of TOTAL Minatome in 1998).

Frederick L. Harris, III December 24, 1999

(A) Fiscal year ends September 30th.
(B) Primary egs thru '98, then diluted. Excl. nonrec. items: '88, d25¢; '92, 5¢; '94, 9¢; '99, 6¢. Excl. loss from disc. ops: '89, 14¢. Next egs. rept. due late Jan. (C) Next div'd meeting about Jan. 25. Goes ex about Feb. 15. Approx. div'd payment dates: March 1, June 1, Sept. 1, Dec. 1. = Dividend reinvestment plan available. (D) Includes intang. assets. In '98: $18.7 mil., 64¢/sh. (E) In mil., adjusted for stock splits. (F) Quarters do not add to total due to change in shares outstanding.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	50
Earnings Predictability	80

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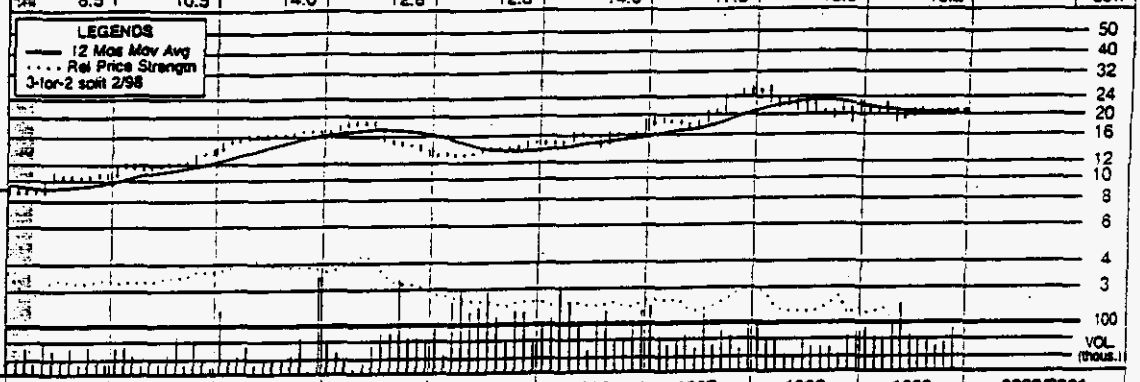
ENERGYSOUTH INC. NDQ-ENSI

RANKS	
PERFORMANCE	3 Average
Technical	3 Average
SAFETY	3 Average
BETA .50	(1.00 = Market)

Financial Strength	B+
Price Stability	90
Price Growth Persistence	50
Earnings Predictability	50

High	11.0	14.5	17.3	19.2	15.2	19.3	27.3	27.5	25.0	High
Low	8.5	10.5	14.0	12.8	12.8	14.0	17.3	18.0	18.2	Low

LEGENDS
12 Mos Mov Avg
Rel Price Strength
3-for-2 split 2/98



© VALUE LINE PUBLISHING, INC.	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000/2001
SALES PER SH	12.43	13.10	13.85	13.18	12.27	14.77	14.97	15.19	--	
"CASH FLOW" PER SH	1.69	2.04	2.04	1.85	1.89	2.91	2.92	3.08	--	
EARNINGS PER SH	.99	1.31	1.19	1.19	.84	1.79	1.67	1.71	1.75	1.80[A,B]/NA
DIV'DS DECL'D PER SH	.57	.60	.64	.69	.71	.73	.77	.84	--	
CAP'L SPENDING PER SH	1.12	2.91	3.32	5.90	2.29	2.10	2.52	1.57	--	
BOOK VALUE PER SH	6.72	7.43	8.00	9.21	9.36	10.43	11.36	12.29	--	
COMMON SHS OUTST'G (MILL)	4.08	4.09	4.10	4.80	4.82	4.83	4.86	4.87	--	
AVG ANN'L P/E RATIO	9.5	8.8	12.9	14.5	16.3	8.6	11.2	13.6	12.0	11.7/NA
RELATIVE P/E RATIO	.69	.58	.79	.95	1.09	.54	.65	.71	--	
AVG ANN'L DIV'D YIELD	6.1%	5.2%	4.2%	4.0%	5.2%	4.8%	4.2%	3.6%	--	
SALES ($MILL)	50.7	53.6	56.8	63.3	59.1	71.4	72.7	74.0	--	
OPERATING MARGIN	30.7%	32.3%	30.8%	30.7%	36.2%	41.2%	40.3%	41.0%	--	
DEPRECIATION ($MILL)	2.9	3.0	3.5	4.0	5.1	5.4	6.1	6.6	--	
NET PROFIT ($MILL)	4.1	5.4	4.9	4.9	4.0	8.6	8.1	8.4	--	
INCOME TAX RATE	35.3%	36.6%	35.9%	36.4%	35.9%	36.7%	36.7%	37.1%	--	
NET PROFIT MARGIN	8.0%	10.0%	8.7%	7.7%	6.8%	12.1%	11.2%	11.4%	--	
WORKING CAP'L ($MILL)	d6.2	.5	14.9	.5	d7.4	d7.6	1.6	1.8	--	
LONG-TERM DEBT ($MILL)	14.8	26.8	60.4	59.1	57.3	54.5	63.6	59.0	--	
SHR. EQUITY ($MILL)	28.0	31.0	33.4	44.3	45.1	50.4	55.2	59.9	--	
RETURN ON TOTAL CAP'L	11.4%	10.7%	7.3%	7.4%	6.5%	10.2%	8.9%	9.4%	--	
RETURN ON SHR. EQUITY	14.5%	17.3%	14.7%	11.1%	8.9%	17.1%	14.7%	14.1%	--	
RETAINED TO COM EQ	6.7%	9.9%	7.3%	4.8%	1.8%	10.6%	8.7%	7.9%	--	
ALL DIV'DS TO NET PROF	55%	44%	51%	56%	80%	38%	41%	44%	--	

Bold figures are consensus earnings estimates and, using the recent prices, P/E ratios.

[A] No. of analysts changing earn. est. in last 11 days: 0 up, 0 down, consensus 5-year earnings growth not available. [B] Based upon one analyst's estimate.

ANNUAL RATES

of change (per share)	5 Yrs.	1 Yr.
Sales	2.5%	1.5%
"Cash Flow"	9.0%	5.5%
Earnings	8.0%	2.5%
Dividends	5.5%	8.5%
Book Value	9.0%	8.0%

QUARTERLY SALES ($mill.)

Fiscal Year	1Q	2Q	3Q	4Q	Full Year
09/30/97	18.0	29.4	13.9	11.4	72.7
09/30/98	20.0	28.5	13.9	11.6	74.0
09/30/99	19.6	23.1	13.0	12.4	68.1
09/30/00					

EARNINGS PER SHARE

Fiscal Year	1Q	2Q	3Q	4Q	Full Year
09/30/96	.57	1.10	.29	.03	1.79
09/30/97	.42	.99	.23	.03	1.67
09/30/98	.41	.97	.23	.10	1.71
09/30/99	.59	.76	.22	.18	1.75
09/30/00					

QUARTERLY DIVIDENDS PAID

Cal-endar	1Q	2Q	3Q	4Q	Full Year
1996	.18	.18	.187	.187	.73
1997	.187	.187	.20	.20	.77
1998	.20	.20	.22	.22	.84
1999	.22	.235	.235	.235	.93

INSTITUTIONAL DECISIONS

	1Q'99	2Q'99	3Q'99
to Buy	7	10	4
to Sell	7	4	6
Hld's(000)	933	934	947

ASSETS ($mill.)	1997	1998	6/30/99
Cash Assets	16.3	18.5	9.8
Receivables	5.8	8.3	8.9
Inventory (Avg cost)	3.4	2.8	1.7
Other	3.2	2.3	3.9
Current Assets	28.7	31.9	24.3
Property, Plant & Equip. at cost	166.2	172.0	--
Accum Depreciation	40.3	44.9	--
Net Property	125.9	127.1	126.9
Other	7.3	7.5	7.5
Total Assets	161.9	166.5	158.7
LIABILITIES ($mill.)			
Accts Payable	4.1	2.5	2.9
Debt Due	13.6	17.3	2.1
Other	9.4	10.3	13.3
Current Liab	27.1	30.1	18.3

LONG-TERM DEBT AND EQUITY *as of 6/30/99*

Total Debt $60.1 mil. Due in 5 Yrs. NA
LT Debt $58.0 mil. Including Cap. Leases NA (47% of Cap'l)
Leases, Uncapitalized Annual rentals NA

Pension Liability $2.8 mil. in '98 vs. $2.8 mil. in '97

Pfd Stock None Pfd Div'd Paid None

Common Stock 4,886,000 shares (53% of Cap'l)

INDUSTRY: Natural Gas (Distrib.)

BUSINESS: EnergySouth, Inc., a holding company for Mobile Gas Service Corporation, purchases natural gas and distributes it to over 100,000 residential, commercial, and industrial customers in southwest Alabama. Through MGS Energy Services, Inc., a wholly owned subsidiary, the company provides contract and consulting work for utilities and industrial customers. Through its MGS Storage Services, Inc. subsidiary, the company owns almost 88% of Bay Gas Storage Company, Ltd., a limited Alabama partnership. Bay Gas has constructed an underground gas storage cavern which is used to provide storage and delivery of natural gas for Mobile Gas and other customers. The company is directly connected to two natural gas processing plants in south Mobile County. MGS Marketing Services, Inc., a wholly owned subsidiary, assists existing and potential customers in the purchase of natural gas. For the fiscal year ended September 1999, we excluded a charge of $0.07 per share. Has 275 employees. Chairman: William J. Hearin. Inc.: AL. Address: 2828 Dauphin Street, Mobile, AL 36606. Tel.: 334 476-2720. Internet: http://www.mobilegas.com. O.M.

December 24, 1999

TOTAL SHAREHOLDER RETURN

Dividends plus appreciation as of 11/30/1999

3 Mos.	6 Mos.	1 Yr.	3 Yrs.	5 Yrs.
3.63%	9.20%	6.37%	100.46%	165.25%

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NUI CORP. NYSE-NUI

RECENT PRICE 26 | P/E RATIO 13.7 (Trailing: 14.8 Median: 13.0) | RELATIVE P/E RATIO 0.95 | DIV'D YLD 3.9% | VALUE LINE 474

TIMELINESS 3 Raised 5/7/99
SAFETY 3 Lowered 9/30/94
TECHNICAL 3 Raised 9/17/99
BETA .70 (1.00 = Market)

2002-04 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+130%)	26%
Low	40	(+55%)	15%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	2	0

Institutional Decisions

	1Q1999	2Q1999	3Q1999
to Buy	34	25	30
to Sell	21	29	27
Hld's(000)	6016	5831	6199

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	© VALUE LINE PUB., INC.	02-04
High:	24.4	19.1	19.0	20.3	25.3	29.8	28.8	17.8	23.5	29.6	29.4	28.2								
Low:	17.3	16.9	13.3	13.8	18.1	23.4	13.5	14.3	16.5	19.0	20.3	20.4								
Revenues per sh [A]	91.78	94.40	97.81	77.83	78.44	48.06	43.92	47.71	45.93	36.22	43.27	42.84	40.91	42.30	48.97	55.30	65.20	67.30	Revenues per sh [A]	82.85
"Cash Flow" per sh	4.71	5.11	4.50	4.12	4.83	2.92	2.87	3.21	2.59	3.25	3.52	3.08	3.36	3.32	3.48	3.46	3.85	4.00	"Cash Flow" per sh	5.95
Earnings per sh [B]	2.43	3.53	1.59	1.63	2.29	1.84	1.39	1.42	.55	1.68	1.70	1.25	1.21	1.52	1.75	1.45	1.75	1.90	Earnings per sh [B]	3.70
Div'ds Decl'd per sh [C]	1.33	1.49	1.55	1.53	1.56	1.56	1.56	1.56	1.57	1.57	1.60	1.60	.90	.90	.94	.98	.98	1.02	Div'ds Decl'd per sh [C]	1.40
Cap'l Spending per sh	5.52	7.12	9.11	5.57	5.18	4.36	4.23	5.64	4.37	3.83	4.32	5.85	4.13	3.34	4.13	4.73	3.75	3.45	Cap'l Spending per sh	4.30
Book Value per sh [D]	16.41	17.98	18.78	13.98	14.92	13.67	14.44	14.29	13.43	14.55	14.92	15.59	15.31	15.16	17.56	17.59	18.35	19.25	Book Value per sh [D]	25.70
Common Shs Outst'g [E]	3.31	3.37	3.46	3.57	3.67	4.92	6.04	6.20	6.34	8.04	8.20	9.16	9.20	11.09	12.43	12.68	12.70	13.00	Common Shs Outst'g [E]	14.00
Avg Ann'l P/E Ratio	6.7	5.3	12.9	12.9	10.8	10.0	12.9	12.4	28.8	12.0	15.5	19.5	12.6	11.7	12.2	17.2	13.8		Avg Ann'l P/E Ratio	14.0
Relative P/E Ratio	.57	.49	1.05	.87	.71	.83	.98	.92	1.84	.73	.92	1.28	.84	.73	.70	.90	.76		Relative P/E Ratio	.95
Avg Ann'l Div'd Yield	8.0%	7.9%	7.1%	7.4%	6.4%	8.5%	8.7%	9.8%	9.9%	7.8%	6.1%	6.6%	5.9%	5.0%	4.4%	3.9%	4.1%		Avg Ann'l Div'd Yield	2.6%
Revenues ($mill) [A]	265.5	296.0	291.3	291.0	354.9	392.3	376.4	469.0	608.6	828.0	828.2	875	Revenues ($mill) [A]	1160
Net Profit ($mill)	7.2	8.7	3.4	11.8	13.8	10.8	11.2	14.9	19.7	18.2	22.2	24.5	Net Profit ($mill)	52.0
Income Tax Rate	31.8%	34.8%	42.8%	32.0%	32.8%	16.2%	34.4%	35.3%	34.9%	40.7%	41.0%	41.0%	Income Tax Rate	40.0%
Net Profit Margin	2.7%	2.9%	1.2%	4.1%	3.9%	2.7%	3.0%	3.2%	3.2%	2.2%	2.7%	2.8%	Net Profit Margin	4.4%
Long-Term Debt Ratio	52.3%	56.0%	58.7%	55.4%	55.8%	54.8%	62.3%	57.3%	52.2%	51.6%	53.6%	53.5%	Long-Term Debt Ratio	51.5%
Common Equity Ratio	47.7%	44.0%	41.3%	44.6%	44.2%	45.2%	37.7%	42.7%	47.8%	48.4%	46.4%	46.5%	Common Equity Ratio	49.5%
Total Capital ($mill)	183.0	202.7	206.2	261.9	276.8	315.6	374.1	419.7	457.0	460.7	502	540	Total Capital ($mill)	700
Net Plant ($mill)	278.0	296.0	307.4	323.2	347.2	426.7	448.1	464.3	493.8	533.7	550	590	Net Plant ($mill)	675
Return on Total Cap'l	6.5%	6.5%	4.1%	6.7%	7.0%	4.9%	5.0%	5.3%	6.0%	5.6%	6.2%	6.0%	Return on Total Cap'l	9.0%
Return on Shr. Equity	8.3%	9.8%	4.0%	10.1%	11.3%	7.6%	7.9%	8.3%	9.0%	8.2%	9.5%	10.0%	Return on Shr. Equity	14.5%
Return on Com Equity	8.3%	9.8%	4.0%	10.1%	11.3%	7.6%	7.9%	8.3%	9.0%	8.2%	9.5%	10.0%	Return on Com Equity	14.5%
Retained to Com Eq	NMF	NMF	NMF	4%	7%	NMF	2.0%	3.5%	4.2%	2.7%	4.2%	4.5%	Retained to Com Eq	9.5%
All Div'ds to Net Prof	113%	110%	NMF	56%	93%	NMF	74%	58%	54%	68%	58%	53%	All Div'ds to Net Prof	38%

% TOT. RETURN 11/99

	THIS STOCK	VL ARITH. INDEX
1 yr.	7.9	10.6
3 yr.	42.6	44.7
5 yr.	120.7	121.2

Target Price Range 2002 | 2003 | 2004

CAPITAL STRUCTURE as of 6/30/99
Total Debt $320.4 mill. Due in 5 Yrs $80.0 mill.
LT Debt $270.7 mill. LT Interest $17.0 mill.
Incl. $7.8 mill. capitalized leases.
(LT interest earned: 2.9x; total interest coverage: 2.6x)
(53% of Cap'l)
Leases, Uncapitalized Annual rentals $3.0 mill.
Pension Liability None

Pfd Stock None
Common Stock 12,748,967 shs. (47% of Cap'l)
as of 7/31/99
MARKET CAP: $325 million (Small Cap)

CURRENT POSITION ($MILL.)	1997	1998	6/30/99
Cash Assets	58.8	.9	2.4
Other	129.9	143.5	148.8
Current Assets	188.7	144.4	151.2
Accts Payable	98.7	87.1	88.0
Debt Due	110.6	89.4	49.7
Other	4.0	5.7	32.3
Current Liab.	211.3	182.2	170.0
Fix. Chg. Cov.	241%	254%	248%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '96-'98 to '02-'04
Revenues	-2.5%	4.5%	5.0%
"Cash Flow"	-1.5%	2.0%	9.5%
Earnings	-2.0%	3.5%	15.5%
Dividends	-5.0%	-10.0%	7.0%
Book Value	2.0%	3.5%	7.0%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) [A] Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
1996	124.6	170.9	95.4	78.1	469.0
1997	151.8	204.1	125.2	127.5	608.6
1998	235.9	258.8	169.0	164.3	828.0
1999	229.6	254.6	160.7	183.3	828.2
2000	*245*	*270*	*170*	*190*	*875*

Fiscal Year Ends	EARNINGS PER SHARE [A][B] Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
1996	.70	1.58	d.10	d.45	1.52
1997	.61	1.37	.12	d.33	1.75
1998	.60	1.20	d.03	d.30	1.45
1999	.55	1.30	.11	d.20	1.75
2000	*.50*	*1.40*	*.10*	*d.20*	*1.90*

Calendar	QUARTERLY DIVIDENDS PAID [C][E] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1995	.225	.225	.225	.225	.90
1996	.225	.225	.225	.235	.91
1997	.235	.235	.235	.245	.95
1998	.245	.245	.245	.245	.98
999	.245	.245	.245	.245	

BUSINESS: NUI Corp. is a natural gas distribution company with operations in six states. The two largest are New Jersey's Elizabethtown Gas Co. (244,000 customers) and City Gas Co. of Florida (acquired 7/98) (98,000 cust.). Major supplier is Transcontinental Gas Pipeline. Combined 1998 volume: 245.7 billion cubic feet—breakdown: residential, 9%; commercial, 5%; industrial, 2%; transportation and other, 84%. Purchased gas costs: 78% of rev's. Spun off KCS Corp. 5/98. Deprec. rate: 3.4%. Est'd plant age: 9 yrs. Has abt. 1,080 empl.; 6,425 shrhldrs. Off/dir own 6.0% of common (12/98 Proxy). Chrmn.: John Kean. Pres. & C.E.O.: John Kean, Jr. Inc.: New Jersey. Addr.: 550 Route 202-206, Bedminster, NJ 07921. Tel.: 908-781-0500. Internet addr.: www.nui.com.

NUI's earnings advanced 21% (excluding restructuring charges) in the fiscal year ended September 30th. The main catalyst was stronger margins, helped by the continued growth of nonutility operations and lower-than-expected operating and interest expenses resulting from the company's 1998 reorganization plan. Given that revenues remained flat for the 12-month period, these two factors were crucial to the company's bottom-line recovery. In fact, distribution services, NUI's largest division, experienced a 3.1% revenue decline, due mainly to 16% warmer-than-normal weather.

TIC Enterprises, in which NUI holds a 49% equity interest, was awarded a major contract by the United States Postal Services (USPS). The contract calls for TIC to nationally market USPS' Priority Mail, Global Priority Mail, Express Mail, and Express Mail International products. We believe that the USPS contract moves NUI closer to its ultimate goal of taking TIC Enterprises public in an IPO, maybe as early as next year.

The contract will likely weaken NUI's 2000 share net . . . Significant start-up costs associated with rolling out the business will offset any profits generated by TIC's other business lines. Therefore, we are lowering our 2000 share-net estimate for NUI by a dime, to $1.90 a share.

. . . but we expect it to significantly boost NUI's earnings by fiscal 2001. Once the initial start-up costs are realized, TIC Enterprises, with total annual revenues now expected to exceed $200 million within three years, will likely add $0.40 to $0.45 per share to NUI's net income in fiscal 2001. The TIC Enterprises contract with USPS also enhances NUI's long-term earnings prospects. The TIC Enterprises deal is expected to add an additional $0.80 to $0.90 a share and $1.07 to $1.12 a share to NUI's 2002 and 2003 year-end earnings, respectively.

This issue is ranked to mirror the market in the year ahead. However, given the recent TIC contract and the positive impact it is expected to have on NUI's future earnings, this equity offers above-average total-return potential. The stock's solid dividend yield also makes it appealing to income-oriented investors.

William G. Ferguson *December 24, 1999*

(A) Fiscal yr. ends Sep. 30th. (B) Based on avg. shs. outst'g thru. '97, then diluted. Excl. nonrec. items: '83, d41c; '84, d49c; '85, 59c; '88, d$5.03; '95, d51c; '98, d47c; '99, 18c. Excl. gain from disc. ops.: '88, $1.20. EPS may not equal quart. sum due to change in shs. out. Next egs. rep't due late Jan. (C) Next div'd mtg. about Feb. 11. Goes ex about Feb. 24. Approx. div'd pmt. dates: 15th of Mar., Jun., Sep., Dec. ■ Div'd reinvest. plan avail. (D) Incl. def. chgs. '98: $60.9 mill., $4.80/sh. (E) In mill., adjusted for split. (F) Spinoff of KCS, 5/98.

Company's Financial Strength	B+
Stock's Price Stability	80
Price Growth Persistence	30
Earnings Predictability	65

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PIEDMONT NAT'L. NYSE-PNY

RECENT PRICE 31 | P/E RATIO 14.8 (Trailing: 16.0 Median: 14.0) | RELATIVE P/E RATIO 1.03 | DIV'D YLD 4.5% | VALUE LINE 480

TIMELINESS 4 Raised 12/10/99
SAFETY 2 New 7/27/90
TECHNICAL 4 Lowered 12/3/99
BETA .55 (1.00 = Market)

2002-04 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+45%)	13%
Low	35	(+15%)	8%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	4	0	4	1	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	1	0	0	0	0	1	0	0

Institutional Decisions

	1Q1999	2Q1999	3Q1999
to Buy	52	47	46
to Sell	57	55	51
Hld's(000)	7759	7400	7548

	High:	12.6	14.8	14.9	16.9	20.4	26.4	23.4	24.9	25.8	36.4	38.1	36.5	Target Price Range 2002	2003	2004
	Low:	9.6	11.5	12.8	12.9	15.4	18.8	18.0	18.3	20.5	22.0	27.9	28.6			

LEGENDS
1.40 x Dividends p sh divided by Interest Rate
Relative Price Strength
2-for-1 split 4/86
2-for-1 split 4/93
Options: No
Shaded area indicates recession

% TOT. RETURN 11/99

	THIS STOCK	VL ARITH. INDEX
1 yr.	-5.5	10.6
3 yr.	43.5	44.7
5 yr.	103.8	121.2

1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	© VALUE LINE PUB., INC.	02-04
25.93	27.04	28.15	24.01	23.04	19.62	20.25	18.84	15.64	17.83	21.14	21.65	17.52	23.18	25.69	24.90	21.94	23.15	Revenues per sh A	28.10
1.38	1.53	1.17	1.31	1.74	1.75	1.92	1.94	1.56	2.15	2.28	2.26	2.51	2.98	3.25	3.44	3.27	3.60	"Cash Flow" per sh	4.35
.91	1.04	.60	.77	1.10	1.19	1.21	1.22	.89	1.40	1.45	1.35	1.45	1.67	1.85	1.96	1.86	2.10	Earnings per sh B	2.70
.49	.54	.58	.60	.65	.72	.79	.83	.87	.91	.95	1.01	1.09	1.15	1.21	1.28	1.35	1.41	Div'ds Decl'd per sh C=	1.60
1.18	1.44	2.13	2.39	2.65	3.74	3.11	3.24	2.75	2.81	3.16	3.90	3.44	3.27	3.05	2.96	3.26	3.45	Cap'l Spending per sh	3.80
5.80	6.30	6.41	6.99	7.49	8.25	8.73	9.15	9.65	10.27	10.90	11.36	12.31	13.07	13.90	14.91	15.71	16.55	Book Value per sh D	20.45
13.36	13.96	14.37	17.40	17.87	20.33	20.78	21.43	24.73	25.80	26.15	26.58	28.84	29.55	30.19	30.74	31.30	32.00	Common Shs Outst'g E	33.00
5.7	6.3	13.2	12.1	10.2	9.1	10.3	11.3	16.3	12.3	15.4	15.7	13.8	13.9	13.6	16.3	17.7		Avg Ann'l P/E Ratio	15.0
.48	.59	1.07	.82	.58	.76	.78	.84	1.04	.75	.91	1.03	.92	.87	.78	.98	.98		Relative P/E Ratio	1.00
9.4%	8.2%	7.4%	6.4%	5.8%	6.7%	6.3%	6.0%	5.0%	5.3%	4.3%	4.8%	5.4%	4.9%	4.8%	4.0%	4.2%		Avg Ann'l Div'd Yield	4.0%
420.8	403.8	411.6	459.9	552.8	575.4	505.2	685.1	775.5	765.3	686.5	740	Revenues ($mill) A	925
24.9	25.7	20.6	35.3	37.5	35.5	40.3	48.6	55.2	60.3	58.2	68.0	Net Profit ($mill)	90.0
33.7%	33.2%	32.2%	35.0%	36.4%	37.6%	38.7%	38.9%	39.1%	39.2%	39.6%	39.6%	Income Tax Rate	40.0%
5.9%	6.4%	5.0%	7.7%	6.8%	6.2%	8.0%	7.1%	7.1%	7.9%	8.5%	9.2%	Net Profit Margin	9.7%
50.7%	47.0%	48.0%	46.6%	49.4%	50.9%	50.4%	50.3%	47.6%	44.7%	46.2%	45.5%	Long-Term Debt Ratio	42.5%
49.3%	53.0%	52.0%	53.4%	50.6%	49.1%	49.6%	49.7%	52.4%	55.3%	53.8%	54.5%	Common Equity Ratio	57.5%
367.7	389.8	459.3	496.2	563.0	615.0	716.0	777.1	800.8	829.3	914.7	970	Total Capital ($mill)	1175
452.4	507.9	537.9	592.8	654.5	734.9	801.3	862.0	941.7	990.8	1047	1110	Net Plant ($mill)	1250
9.5%	10.0%	6.8%	9.1%	8.6%	7.7%	7.5%	8.2%	8.9%	9.2%	8.1%	8.5%	Return on Total Cap'l	9.5%
13.7%	13.1%	8.6%	13.3%	13.2%	11.8%	11.4%	12.6%	13.1%	13.2%	11.8%	13.0%	Return on Shr. Equity	13.5%
13.7%	13.1%	8.6%	13.3%	13.2%	11.8%	11.4%	12.6%	13.1%	13.2%	11.8%	13.0%	Return on Com Equity	13.5%
4.8%	4.2%	.2%	4.6%	4.4%	2.8%	2.7%	3.9%	4.6%	4.7%	3.1%	4.5%	Retained to Com Eq	5.5%
65%	68%	96%	68%	67%	76%	76%	69%	65%	65%	74%	66%	All Div'ds to Net Prof	59%

CAPITAL STRUCTURE as of 7/31/99
Total Debt $438.0 mill. Due in 5 Yrs $185.0 mill.
LT Debt $333.0 mill. LT Interest $27.0 mill.
(Total interest coverage: 3.9x)

Pension Liability None

Pfd Stock None

Common Stock 31,181,309 shs.
as of 3/5/99
MARKET CAP: $975 million (Small Cap)

CURRENT POSITION ($MILL.)	1997	1998	7/31/99
Cash Assets	5.2	9.7	9.7
Other	127.0	132.8	142.4
Current Assets	132.2	142.5	152.1
Accts Payable	65.1	67.3	46.5
Debt Due	35.0	42.0	105.0
Other	55.4	76.6	77.1
Current Liab.	155.5	185.9	228.6
Fix. Chg. Cov.	339%	373%	327%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '96-'98 to '02-'04
Revenues	1.0%	6.0%	2.0%
"Cash Flow"	7.5%	10.0%	5.0%
Earnings	6.0%	8.0%	6.5%
Dividends	6.5%	6.0%	4.5%
Book Value	6.5%	6.5%	6.5%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Jan. 31	Apr.30	Jul.31	Oct.31	Full Fiscal Year
1996	239.2	259.5	95.7	90.7	685.1
1997	312.5	259.3	104.0	99.7	775.5
1998	313.3	281.5	103.0	87.5	785.3
1999	255.7	239.2	96.7	94.9	686.5
2000	*275*	*260*	*105*	*100*	*740*

Fiscal Year Ends	EARNINGS PER SHARE A B F Jan.31	Apr.30	Jul.31	Oct.31	Full Fiscal Year
1996	1.18	1.12	d.26	d.33	1.67
1997	1.26	1.08	d.19	d.28	1.85
1998	1.35	1.16	d.20	d.33	1.98
1999	1.31	1.11	d.26	d.28	1.86
2000	*1.36*	*1.22*	*d.20*	*d.28*	*2.10*

Calendar	QUARTERLY DIVIDENDS PAID C= Mar.31	Jun.30	Sep.30	Dec.31	Full Year
1995	.26	.275	.275	.275	1.09
1996	.275	.29	.29	.29	1.15
1997	.29	.305	.305	.305	1.21
1998	.305	.325	.325	.325	1.28
999	.325	.345	.345	.345	1.36

BUSINESS: Piedmont Natural Gas Company is primarily a regulated natural gas distributor, serving over 625,000 customers in North Carolina, South Carolina, and Tennessee. 1998 revenue mix: residential (42%), commercial (25%), industrial (21%), other (12%). Principal suppliers: Transco and Tennessee Pipeline. Gas costs: 57.8% of revenues. '98 depreciation rate: 3.3%. Estimated plant age: 8.7 years. Non-regulated operations: sale of gas-powered heating equipment; natural gas brokering; propane sales. Has about 1,840 employees. 19,150 shareholders of record. Chairman, C.E.O., & President: John H. Maxheim. Incorporated in North Carolina. Address: 1915 Rexford Road, Charlotte, North Carolina 28211. Telephone: 704-364-3120. Internet: www.piedmontng.com.

Fiscal 1999 (ended October 31st) was a disappointing year for Piedmont Natural Gas. Warmer-than-normal temperatures resulted in reduced gas sales, leading to a 10.3% decline in Piedmont's top line. Also contributing to the poor performance were the high startup costs resulting from the company's SouthStar Energy Services joint venture with AGL Resources and Dynegy. The higher-than-expected expenses negatively impacted Piedmont's bottom line by $0.17 a share. All told, PNY's share net declined over 5% for the 12-month period.

We expect Piedmont's performance to recover in fiscal 2000. There are a number of factors behind our reasoning, not the least of which is the return of normal temperatures. More normal weather conditions would result in increased sales volume. In addition, the absence of SouthStar Energy's startup costs, which were heavily front-loaded in the company's first year, should boost earnings. SouthStar will likely add about $0.02 a share to Piedmont's 2000 share net. Moreover, Piedmont should continue to benefit from the cost-cutting initiatives that management has implemented in recent years. In fact, the company's operating and maintenance expense was down $2.8 million in fiscal 1999. Continued success in reducing costs should help foster a bottom-line recovery. We expect about a 13% advance in Piedmont's 2000 share net.

Piedmont's long-term prospects remain positive. In fiscal 1999, PNY increased its customer base by 5%, a rate three times faster than the industry norm. Moving forward, we believe that this trend will continue, as management expects to grow its customer base at a rate of 6% annually. This will likely translate into increased sales volume for the company. Additionally, PNY will file rate cases in Tennessee and North Carolina in 2000. If passed, the rate-normalization mechanism will protect the company against huge revenue losses when the weather is warmer than usual in those regions.

This issue is ranked to lag the market in the year ahead. However, it may appeal to conservative, income-oriented investors looking to take advantage of the stock's substantial dividend yield.

William G. Ferguson *December 24, 1999*

Fiscal year ends October 31st.
(A) Diluted earnings. Excl. extraordinary item: '85, 11c. Excl. nonrecurring charge: '97, 4c. Next egs. report due early March.
(C) Next div'd mtg late February. Goes ex about March 24. Approx. dividend payment dates: 15th of Jan., April, July, Oct.
= Div'd reinvest. plan available; 5% discount.
(D) Incl. def'd chrgs. in '98: $2.5 mill., 8c/sh.
(E) In millions, adj. for stock splits.
(F) Qtrs. may not add to total due to change in shares outstanding.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	55
Earnings Predictability	85

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STAFF'S SECOND REQUEST FOR PRODUCTION OF DOCUMENTS TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (NOS. 15-31)
DOCKET NO. 000108-GU.

Workpapers for Schedule 6 -

Monthly Dividend Yields (1) for
the Barometer Group of Seven Gas Distribution Companies
for the Twelve Months Ending February 2000

	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Jan-2000	Feb-2000	12-Month Average Mar-99 through Feb-2000	6-Month Average Sep-99 through Feb-2000	3-Month Average Dec-99 through Feb-2000
Barometer Group of Seven Gas Companies															
AGL Resources	6.20%	6.02%	5.73%	5.90%	5.79%	5.99%	6.70%	6.29%	5.85%	6.40%	6.36%	6.35%			
Atmos Energy Group	4.59%	4.39%	4.34%	4.42%	4.44%	4.39%	4.58%	4.89%	4.93%	5.81%	6.60%	6.66%			
Chesapeake Utilities	6.25%	6.18%	5.82%	5.40%	5.49%	5.57%	6.05%	5.87%	5.77%	5.68%	5.77%	5.88%			
Energen Corp	4.31%	3.74%	3.35%	3.45%	3.44%	3.40%	3.27%	3.59%	3.44%	3.67%	3.86%	4.07%			
EnergySouth Inc.	4.30%	4.40%	4.60%	4.67%	4.58%	4.72%	4.43%	4.60%	4.60%	4.54%	4.98%	5.36%			
NUI Corporation	4.56%	4.55%	3.94%	3.93%	3.70%	3.83%	3.97%	3.98%	3.89%	3.73%	3.55%	4.13%			
Piedmont Natural Gas	3.72%	4.10%	3.87%	4.44%	4.07%	4.14%	4.56%	4.33%	4.38%	4.59%	4.87%	5.64%			
Average	4.85%	4.77%	4.49%	4.60%	4.50%	4.58%	4.79%	4.79%	4.69%	4.88%	5.14%	5.44%	4.79%	4.96%	5.16%

Note: (1) Monthly dividend yields are calculated by dividing the annualized quarterly ex-dividend (multiplying the quarterly ex-dividend by 4) by the month-end closing stock price adjusted by an ex-dividend factor.

Source of Information: Interactive Data Corporation
Value Line Investment Survey

000055

Case Name Central Florida Gas Company
Ex-Dividend Dates
NDDT

	31-Mar-99	30-Apr-99	28-May-99	30-Jun-99	30-Jul-99	31-Aug-99	30-Sep-99	29-Oct-99	30-Nov-99	31-Dec-99	31-Jan-2000	29-Feb-2000
ATA	10-Feb-99	10-Feb-99	19-May-99	19-May-99	19-May-99	18-Aug-99	18-Aug-99	18-Aug-99	17-Nov-99	17-Nov-99	17-Nov-99	10-Feb-2000
EGAS	23-Feb-99	23-Feb-99	21-May-99	21-May-99	21-May-99	23-Aug-99	23-Aug-99	23-Aug-99	22-Nov-99	22-Nov-99	22-Nov-99	23-Feb-2000
CHU	10-Mar-99	10-Mar-99	10-Mar-99	09-Jun-99	09-Jun-99	09-Jun-99	08-Sep-99	08-Sep-99	08-Sep-99	08-Dec-99	08-Dec-99	08-Dec-99
AGA	10-Feb-99	10-Feb-99	12-May-99	12-May-99	12-May-99	11-Aug-99	11-Aug-99	11-Aug-99	10-Nov-99	10-Nov-99	10-Nov-99	11-Feb-2000
ENSJ	11-Mar-99	11-Mar-99	11-Mar-99	14-Jun-99	14-Jun-99	14-Jun-99	14-Sep-99	14-Sep-99	14-Sep-99	14-Dec-99	14-Dec-99	14-Dec-99
NUI	25-Feb-99	25-Feb-99	27-May-99	27-May-99	27-May-99	30-Aug-99	30-Aug-99	30-Aug-99	29-Nov-99	29-Nov-99	29-Nov-99	28-Feb-2000
PMG	23-Mar-99	23-Mar-99	23-Mar-99	22-Jun-99	22-Jun-99	22-Jun-99	22-Sep-99	22-Sep-99	22-Sep-99	21-Dec-99	21-Dec-99	21-Dec-99

000056

Month-End Closing Stock Price
CPRC

	31-Mar-99	30-Apr-99	28-May-99	30-Jun-99	30-Jul-99	31-Aug-99	30-Sep-99	29-Oct-99	30-Nov-99	31-Dec-99	31-Jan-2000	29-Feb-2000
ATA	17.563	18.188	18.875	18.438	18.875	18.063	16.25	17.375	18.5	17	17.188	17.063
EGAS	24.063	25.25	25.375	25	25	25.063	24.125	22.688	22.313	20.438	17.5	17.125
CHU	16.063	16.313	18	18.563	18.375	18.188	17.25	17.875	18.25	18.375	18.188	17.938
AGA	14.938	17.25	19.125	18.625	18.75	18.875	20.25	18.5	19.25	18.063	17.25	16.25
ENSJ	20.5	20.125	19.313	20.188	20.625	20.125	21.25	20.563	20.625	20.75	19	17.75
NUI	21.563	21.688	24.875	25	26.688	25.625	24.75	24.813	25.188	26.875	27.813	23.75
PMG	35	31.875	33.813	31.125	34.063	33.563	30.313	32	31.75	30.125	28.5	24.75

0000057

CSUTL
Q142

Compustat Utility
AP2

Quarterly Ex-Dividend

		09/30/98	12/31/98	03/31/99	06/30/99	09/30/99	12/31/99
ATA	AGL Resources	$0.270	$0.270	$0.270	$0.270	$0.270	$0.270
EGAS	Atmos Energy Group	$0.265	$0.275	$0.275	$0.275	$0.275	$0.285
CHU	Chesapeake Utilities	$0.250	$0.250	$0.250	$0.250	$0.260	$0.260
AGA	Energen Corp	$0.160	$0.160	$0.160	$0.160	$0.165	$0.165
ENSJ	EnergySouth Inc.	$0.220	$0.220	$0.220	$0.235	$0.235	$0.235
NUI	NUI Corporation	$0.245	$0.245	$0.245	$0.245	$0.245	$0.245
PMG	Piedmont Natural Gas	$0.325	$0.325	$0.325	$0.345	$0.345	$0.345

000058

Case Name: Central Florida Gas Company
Days from Ex-Dividend Date

	31-Mar-99	30-Apr-99	28-May-99	30-Jun-99	30-Jul-99	31-Aug-99	30-Sep-99	29-Oct-99	30-Nov-99	31-Dec-99	31-Jan-2000	29-Feb-2000
ATA	49	79	9	42	72	13	43	72	13	44	75	19
EGAS	36	66	7	40	70	8	38	67	8	39	70	6
CHU	21	51	79	21	51	83	22	51	83	23	54	83
AGA	49	79	16	49	79	20	50	79	20	51	82	18
ENSJ	20	50	78	16	46	78	16	45	77	17	48	77
NUI	34	64	1	34	64	1	31	60	1	32	63	1
PMG	8	38	66	8	38	70	8	37	69	10	41	70

000059

Adjusted Price

	31-Mar-99	30-Apr-99	28-May-99	30-Jun-99	30-Jul-99	31-Aug-99	30-Sep-99	29-Oct-99	30-Nov-99	31-Dec-99	31-Jan-2000	29-Feb-2000
ATA	17.42	17.95	18.85	18.31	18.66	18.02	16.12	17.16	18.46	16.87	16.97	17.01
EGAS	23.95	25.05	25.35	24.88	24.79	25.04	24.01	22.49	22.29	20.32	17.28	17.11
CHU	16.01	16.17	17.78	18.51	18.23	17.96	17.19	17.73	18.01	18.31	18.03	17.70
AGA	14.85	17.11	19.10	18.54	18.61	18.84	20.16	18.36	19.21	17.97	17.10	16.22
ENSJ	20.45	20.00	19.12	20.15	20.51	19.92	21.21	20.45	20.43	20.71	18.88	17.55
NUI	21.47	21.52	24.87	24.91	26.52	25.62	24.67	24.65	25.19	26.29	27.64	23.75
PMG	34.97	31.74	33.58	31.09	33.92	33.30	30.28	31.86	31.49	30.09	28.34	24.48

000060

Attachment 25

STAFF'S SECOND REQUEST FOR PRODUCTION OF DOCUMENTS TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (NOS. 15-31)
DOCKET NO. 000108-GU.

Workpapers for Schedule 7 -

000061

Historical Growth Rates
in Earnings Per Share, Dividends Per Share, Book Value Per Share
and Cash Flow Per Share from Zacks and Value Line

	Earnings Per Share			Dividend Per Share		Book Value Per Share		Cash Flow Per Share	
		Value Line		Value Line		Value Line		Value Line	
	Zacks	5 Year	10 Year	5 Year	10 Year	5 Year	10 Year	5 Year	10 Year
Barometer Group of Seven Gas Companies									
AGL Resources	5.10%	5.00%	3.50%	1.00%	3.00%	2.50%	3.00%	2.50%	3.50%
Atmos Energy Group	-11.50%	9.50%	4.50%	4.00%	4.00%	4.00%	4.50%	4.00%	3.00%
Chesapeake Utilities	-0.50%	6.50%		2.50%		3.00%		2.00%	
Energen Corp	7.50%	7.50%	5.50%	4.00%	5.00%	9.50%	7.00%	10.50%	5.50%
EnergySouth Inc.	N/A	8.00%		5.50%		9.00%		9.00%	
NUI Corporation	4.80%	3.50%	-2.00%	-10.00%	-5.00%	3.50%	2.00%	2.00%	-1.50%
Piedmont Natural Gas	5.70%	8.00%	6.00%	6.00%	6.50%	6.50%	6.50%	10.00%	7.50%
Average	1.85%	6.86%	3.50%	1.86%	2.70%	5.43%	4.60%	5.71%	3.60%

Source of Information : Value Line Investment Survey, December 24, 1999
Zacks, March 7, 2000

000062

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for rate increase by Florida Division of Chesapeake Utilities Corporation

Docket No. 000108-GU

NOTICE OF SERVICE OF FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION'S ANSWERS TO STAFF'S THIRD SET OF INTERROGATORIES (NOS. 27, 36, 37, 40, 41, 48, 49, 64, 65, 66, 67, 70, 72, 73, 81, 83, 86, 95, and 101)

The Florida Division of Chesapeake Utilities Corporation, by and through its undersigned counsel, hereby files and serves Notice that it has served its Answers to Staff's Third Set of Interrogatories (Nos. 27, 36, 37, 40, 41, 48, 49, 64, 66, 67, 70, 72, 73, 81, 83, 86, 95, and 101) by hand-delivery on W. Cochran Keating, IV, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, on this 28th day of September, 2000.

Wayne L. Schiefelbein
P.O. Box 15856
Tallahassee, FL 32317-5856
(850) 422-1013
(850) 531-0011 (fax)

Attorney for the Florida Division of Chesapeake Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been furnished by hand-delivery to W. Cochran Keating, IV, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, on this 28th day of September, 2000.

Wayne L. Schiefelbein

Attachment 36

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 36

Please explain how Chesapeake accounts for conservation costs. If Chesapeake accounts for conservation costs differently than it accounts for PGA costs, please explain why Chesapeake uses different accounting treatments for these costs.

Answer

(Williams)

Conservation costs are accounted for in Deferred Debits rather than account 908 and 909. PGA costs are accounted for in Account 401. Chesapeake has historically accounted for these costs, as described.

Chesapeake accounts for conservation costs by accumulating expenses and revenues monthly into a deferred debit account. The revenues are collected in a deferred conservation account and debited back to the appropriate rate classes monthly. The entry below is an example of a monthly journal entry. The amounts are arrived at by taking monthly therms for the appropriate rate class and multiplying it by the approved conservation rate.

Rate Class	Account Number	Debit	Credit
Residential	4801	$ 7,173.40	
Res. Annual	4802	12.18	
Res Load Enhance	4804	18.64	
Commercial < 50	4811	6,606.94	

Attachment 37

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 37

Referring to Schedule G-1 on page 178 of the MFRs, please respond to the following:

a. For 2001, please list and describe the items included in the Accounts Receivable-Service balance of $148,470, and provide the amount for each item.

b. Please indicate what items are included in the amount of $107,396 that was "adjusted out" of this balance, and provide the amount for each item.

Answer

a. The $148,470 is a 13-month average balance that consists of the following items. Accounts Receivable for meter turn-on charges, returned check charges and collections, service calls, housepiping, and appliance repairs are included in this account.

b. There are no specific items included in this adjustment of $107,396. This is a calculation based on the amount of A/R Service adjusted out of last rate case. The amount adjusted out in the last rate case was 62.9% of the balance in A/R Service. The adjustment of $93,388 for the Historic Test Year is 62.9% of the $148,470 13-month average balance. The $107,396 adjustment in 2001 was inadvertently based on a 15% increase in A/R-Service. The $93,388 properly represents the adjustment for the year 2001 since the A\R-Service remained unchanged from the 1999 amount.

Attachment 41

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 41

Please explain why Chesapeake is using Account 108-362, Gas Holders, for environmental clean up costs instead of setting up an environmental reserve account. In your response, please explain how Chesapeake is accounting for these costs.

Answer

(Geoffroy)

The Florida Division of Chesapeake Utilities Corp. uses Account 108-362, Gas Holders for environmental clean up costs based on its understanding of what accounting treatment Order 18202 directs the Company to utilize. The Company flows all revenues, expense and adjustments through this account. Each month an entry is made to credit account 108-362, Gas Holders, for $5,926.16 and debit account 405, amortization of other gas plant. This appropriately offsets revenues collected from the rate-payers for this monthly amount by charging a like amount to expense, account 405. All expenses incurred that are related to the environmental clean up are charged directly to this same account.

Attachment 49

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 49

Concerning Chesapeake's AGDF dues, please respond to the following:

a. Please indicate the 13-month average amount of AGDF dues included in working capital and the amount included in expenses for 1999 and 2001.

b. Please explain how Chesapeake calculated the amount of AGDF dues to be removed from expenses in the interim test year.

Answer

(Geoffroy)

a. The 13-month average amount of AGDF dues included in working capital is $0, because AGDF dues are not recorded as a working capital item by the Company. As reflected on Schedule C-11, Bates-stamped page 54 of the MFRs, the amount of AGDF dues for 1999 was $10,000. The amount of AGDF dues included in expenses for 2001 is $10,506. The Company has added an additional $2,153 for AGDF dues as explained in its response to Interrogatory No. 70.

b. The Company removed AGA dues from the interim test year consistent with the adjustment made in the final order of the last rate case.

Attachment 65

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 65

Please indicate whether the accounting position associated with Account 920 has been filled. If the position has not been filled, please indicate the status of that position. Please provide the projected annual salary for this position. Assuming that the position is not filled by January 1, 2001, please indicate whether the person ultimately hired for the position will be hired at less than the projected amount on an annual basis.

Answer

(Geoffroy)

The Accountant I position associated with Account 920 was filled in December, 1999. The projected annual salary, including related employee benefits for 2001 is $51,135.

Attachment 67

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 67

Please indicate the date by which the regulatory/rates position associated with Account 920 is projected to be filled. Assuming that the position is not filled by January 1, 2001, please indicate whether the person ultimately hired for the position will be hired at less than the annual $70,000 projected amount.

Answer

(Geoffroy)

The Regulatory/Rate position associated with Account 920 is projected to be filled on or before January 1, 2001. If the assumption is made that the position is not filled by January 1, 2001, the individual hired will still be hired at an annual compensation level, inclusive of employee related benefit costs, of $70,000.

Attachment 72

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 72

Please provide Chesapeake's planned percentage pay raises by job class for the year 2000.

Answer

(Geoffroy)

Chesapeake's planned percentage pay raises for both hourly and salaried job classes are an average of 4% for all job positions in 2000.

Attachment 81

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 81

Please provide a breakdown of the items included in the amount of $80,000 in "Other Expenses" under rate case expense.

Answer

(Williams)

Other rate case expenses include $50,000 for Jeff Householder for revenue and customer forecasting, transportation services development, and Citrus County expansion testimony and related rate case services. William Pence is budgeted for $20,000 for manufactured gas site testimony and related rate case services. Additional rate case expenses include printing, binding, postage, travel, overtime, meals, lodging, and any other appropriate rate case costs associated with preparing, filing, managing, and completing associated tasks on a timely basis are estimated at $10,000.

Attachment 86

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 86

Please provide a breakdown by customer class of the $40,110 in accounts written off in June 1998. In your response, please identify any portion of the $40,110 that has been recovered, e.g, through deposits or collections.

Answer

(Williams)

The following is a breakdown by rate class for accounts written off as of June 1998:

Rate Class	Amount Written Off	Amount Recovered
Commercial > 100,000	$ 405.85	$ -
*Commercial < 50,000	$ 35,601.14	$ -
Residential	$ 4,103.26	$ 356.24

*This is made up of one customer who went out of business.

Attachment 101

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 101

a. For 1999, 2000, and 2001, please provide the total amounts included in the MFRs related to the office building, including land, building, Accumulated Depreciation, Depreciation Expense, and Property Taxes.

b. Please indicate whether any other expenses associated with this office building should be allocated to non-utility accounts. If your response is affirmative, please provide the amounts that should be so allocated and identify the account(s) to which those expenses should be recorded.

Answer

(Williams)

a.

1999	Account	Description	13 Mo. Avg Plant Balance	13 Mo. Avg Accum Depr	Depr Expense	Property Taxes
	389	Land	$98,285	$0	$0	$1,110
	390	Struct & Imp	$333,913	$80,871	$6,248	$3,773

2000	Account	Description	13 Mo. Avg Plant Balance	13 Mo. Avg Accum Depr	Depr Expense	Property Taxes
	389	Land	$98,285	$0	$0	$1,110
	390	Struct & Imp	$334,276	$88,449	$7,690	$3,777

2001	Account	Description	13 Mo. Avg Plant Balance	13 Mo. Avg Accum Depr	Depr Expense	Property Taxes
	389	Land	$98,285	$0	$0	$1,110
	390	Struct & Imp	$332,834	$96,122	$7,656	$3,761

SEP 25 2000

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for rate increase by Florida Division of Chesapeake Utilities Corporation

Docket No. 000108-GU

NOTICE OF SERVICE OF FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION'S ANSWERS TO STAFF'S THIRD SET OF INTERROGATORIES (NOS. 23, 25, 28, 32-33, 35, 46-47, 50-51, 53-54, 57-63, 69, 71, 75, 78-79, 85, 88-91, 94, 97, 99, 105-107, 111-113, 123 and 130)

The Florida Division of Chesapeake Utilities Corporation, by and through its undersigned counsel, hereby files and serves Notice that it has served its Answers to Staff's Third Set of Interrogatories (Nos. 23, 25, 28, 32-33, 35, 46-47, 50-51, 53-54, 57-63, 69, 71, 75, 78-79, 85, 88-91, 94, 97, 99, 105-107, 111-113, 123 and 130) by hand-delivery on W. Cochran Keating, IV, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, on this 25th day of September, 2000.

Wayne L. Schiefelbein

Wayne L. Schiefelbein
P.O. Box 15856
Tallahassee, FL 32317-5856
(850) 422-1013
(850) 531-0011 (fax)

Attorney for the Florida Division of Chesapeake Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been furnished by hand-delivery to W. Cochran Keating, IV, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, on this 25th day of September, 2000.

Wayne L. Schiefelbein

Wayne L. Schiefelbein

Attachment 23

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 23

On page 20 of the testimony of James A. Williams, lines 4 through 8, Mr. Williams describes adjusting common equity, long term debt, and short term debt to reflect the same ratio to total capital of Chesapeake Utilities Corporation as a whole. Please explain how each of these adjustments was made.

Answer

(Williams)

See Page 21, Line 7 through 18 of James A. Williams' testimony for an explanation of how the Chesapeake Utilities Corporation ratios of long-term debt, short term debt, and equity are derived. These same ratios are applied to the 13-month average rate base less the remaining cost of capital items which include: customer deposits, deferred income tax, flex rate liability, and deferred ITC.

Attachment 25

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 25

Referring to the projected capital structure shown in Schedule G-3, page 239 of the MFRs, please explain why the adjustments shown are all specific adjustments and why none are pro rata adjustments.

Answer

(Geoffroy)

The adjustment for the Flex Rate Liability is a specific adjustment from the Working Capital adjustments (see MFR Schedule G-1, page 3 of 28, Bates-stamped page 179). It is embedded in line 13, Misc. Current Liabilities, similarly to the historic base year data reflected on Schedule B-13, page 2 of 2, Bates-stamped page 27. The remaining adjustments are made to reconcile the capital structure with the projected test year's rate base and to reflect the same debt/equity ratio as the overall capital structure of Chesapeake Utilities Corporation. These adjustments can be reflected in the pro rata column, but without any effect on the capital structure.

Attachment 28

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 28

Please indicate whether non-utility investment was removed from common equity in reconciling capital structure to rate base in Chesapeake's MFRs. If your response is affirmative, please explain how this was done and include amounts and references to MFR schedules. If your response is negative, please explain why non-utility investment was not removed from common equity in reconciling capital structure to rate base.

Answer

(Geoffroy)

The Company did not specifically remove non-utility investment from common equity in reconciling capital structure to rate base because it believes that the appropriate ending point of the reconciled capital structure should represent the same debt/equity ratio as the total corporate capital structure of Chesapeake Utilities Corporation.

Attachment 32

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 32

Please indicate whether any projected plant additions for 2000 and 2001 have been canceled or delayed. If your response is affirmative, please provide the amount and accounts of plant, accumulated depreciation expense included in 2001. Please show the amounts as filed and the revised amounts, if any.

Answer

(Geoffroy)

As is reflected in the Engineering Report dated July 21, 2000, all projected capital additions for the year 2000 have occurred as projected. The Company has not canceled or delayed any future, projected plant additions for 2000 or 2001.

Attachment 33

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 33

Pages 181 and 183 of the MFRs reflect a "CWIP" balance (line 3) of $1,822,064 beginning 12/31/99, which remains constant throughout the projected test year ending 12/31/01. These pages also indicate that "Gas Plant in Serv." (PIS) amounts (line 1) increase monthly during this period. Page 177 of the MFRs shows that the company made an adjustment to remove "CWIP" from rate base in the projected test year. Please respond to the following:

a. Please indicate whether the monthly increases in PIS represent actual completed projects, projects under construction, or both.

b. If all are in service, please explain why the company is projecting CWIP.

c. If any of the additions to PIS are still under construction, please indicate how much depreciation has been taken on those projects in 2000 and 2001.

Answer

(Geoffroy)

a. The monthly increases in PIS represent the Company's projections of actual completed projects only.

b. The Company projects that it will have CWIP balances each month through the Projected Test Year, as a normal course of business where projects are under

construction for more than one month. The Company has simply assumed this balance to be constant throughout the projected period.

c. As described above, none of the additions to PIS are still under construction.

Attachment 35

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 35

Please describe all incentive programs offered by Chesapeake to builders and customers for conversion and piping costs. In your response, please indicate the dollar amounts actually provided or projected to be provided as incentives for 1999, 2000, and 2001, and indicate Chesapeake's accounting treatment of these incentive amounts.

Answer

(Williams)

Included in Chesapeake's incentive programs are Residential Home Builders, Appliance Replacement, Water Heater Retention, Natural Gas Space Conditioning for Residential Homes, Natural Gas Space Conditioning, Propane Distribution, and Conservation Education.

See following chart for actual incentives for 1999, actual Jan through July for 2000, and projected for 2001:

	Actual 1999	7 mo. Actual 5 mo. Projected Projected 2000	Projected 2001
Home Builder	$ 225,340	$ 138,780	$ 144,331
Residential Appliance	$ 5,758	$ 14,417	$ 14,994
Water Heater Retention	$ 19,930	$ 19,097	$ 19,861
Residential Propane Distribution	$ -	$ -	$ -
Residential Water Heater Retention	$ -	$ -	$ -
Nat. Gas Space Conditioning	$ -	$ -	$ -
Education	$ -	$ -	$ -
Totals	$ 251,028	$ 172,294	$ 179,186

Attachment 46

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 46

Schedule G-2, on page 205 of the MFRs, shows that an adjustment was made to 1999 revenues to remove $738,010 in unregulated revenues. Please explain why no similar adjustment was made to the 2001 projected test year revenues. Please indicate the amount of unregulated revenues that should be removed for 2001.

Answer

(Geoffroy)

The Projected Test Year revenues, as reflected throughout the MFRs, only project regulated revenues attributable to the sale, transportation and regulated service charges of the natural gas business of the Company (see specifically Schedule G-2, pages 8-1 through 8-3 of 31, Bates-stamped pages 212 through 214). Therefore, no unregulated revenues need to be removed from the 2001 projections.

Attachment 47

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 47

Referring to Schedule G-2 on page 205 of the MFRs, please provide the basis for Chesapeake's projected decline in the cost of gas from $9,150,224 in 1999 to $5,790,925 in 2001.

Answer

(Geoffroy)

As is reflected in Mr. Householder's Direct Testimony (pages 44-45 and 48) and in Schedule G-2, page 8-1 through 8-3 of 31, Bates-stamped pages 212 through 214, the Company projects that as a result of the Company's unbundled transportation offering, in compliance with new Rule 25-7.0335 F.A.C., an additional 164 commercial customers (150 to Aggregated Transportation and 14 to Individual Transportation) will migrate from sales service to transportation service. When a customer elects transportation service, it purchases its gas supply from third-parties, not through the Company's PGA or cost of gas. This is the basis for the Company's projected decline in the cost of gas from 1999 to 2001.

Attachment 50

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 50

For 1999, please list and provide the amounts of charitable contributions made by Chesapeake Utilities Corporation that were allocated to the Florida Division. In your response, please indicate the account in which these contributions are recorded and explain how these contributions were trended.

Answer

(Geoffroy)

Chesapeake Utilities Corporation did not allocate any charitable contributions to the Florida Division in 1999. Because none occurred in 1999, there are no accounts affected and these expenses are not trended.

Attachment 51

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 51

Please indicate whether charitable contributions by the Florida Division of Chesapeake Utilities Corporation or its parent, Chesapeake Utilities Corporation, are included in above-the-line expenses for 2001. If your response is affirmative, please provide the amounts included above-the-line and the accounts in which they were recorded.

Answer

(Geoffroy)

The Company did not include any charitable contributions in above-the-line expenses for 2001.

Attachment 53

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 53

Please indicate the amount of dues projected to be paid by the Florida Division of Chesapeake Utilities Corporation or allocated to the Florida Division for 2001.

Answer

(Williams)

The Florida Division expects to pay approximately $32,500 in dues in 2001. This includes the dues allocated to the division by Chesapeake Utilities Corp.

Attachment 54

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 54

For 1999, please list and indicate the amount of all dues that were "adjusted out" in the $2,304 adjustment to expenses.

Answer

(Williams)

The dues adjustments to expenses were as follows:

Citrus County Chamber	150
Winter Haven Chamber	325
Auburndale Chamber	200
Haines City Chamber	381
Florida Citrus Showcase	250
Florida Chamber	500
St. Cloud Chamber	263
American Society of Health	150
Eagle Lake Chamber	85
Total amount adjusted out	$ 2,304

Attachment 57

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 57

Please explain why Chesapeake increased Account 871, Distribution Load Dispatching, by $42,700 in 2000.

Answer

(Geoffroy)

The Company has filed in this case to expand its transportation services, in compliance with new Rule 25-7.0335 F.A.C. In order to administratively handle the increased burdens on the Company brought about by the expansion of transportation services, the Company projects the need to add the position of Scheduler in the year 2000, at a compensation level of $42,700, inclusive of employee-related benefits. Please see pages 52-53 of Mr. Jeff Householder's Direct Testimony.

Attachment 58

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 58

Please indicate whether the scheduler position associated with Account 871 has been filled. If the position has not been filled, please indicate the status of that position. Assuming that the position is not filled by January 1, 2001, please indicate whether the person ultimately hired for the position will be hired at less than $44,400.

Answer

(Geoffroy)

The Scheduler position has not been filled as of the response date to this question. The Company has a vacant position available and projects that it will be filled before January 1, 2001.

If the assumption is made that the position is not filled by January 1, 2001, the person ultimately hired for the position is expected to be hired at an annual compensation cost, inclusive of employee-related benefits, of $44,400.

Attachment 59

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 59

Please explain why Chesapeake increased Account 903, Customer Records & Collection Expense, by $42,000 in 2000.

Answer

(Geoffroy)

The Company projects adding a Project Coordinator position in the year 2000 to facilitate the coordination between the customers (builders, developers, new and existing residential, commercial and industrial customers, etc.) who have committed to using natural gas and the various Company departments that are responsible for the various tasks necessary to connect the Customer to the natural gas system.

Attachment 60

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 60

Please indicate whether the project coordinator position associated with Account 903 has been filled. If the position has not been filled, please indicate the status of that position. Assuming that the position is not filled by January 1, 2001, please indicate whether the person ultimately hired for the position will be hired at less than $43,680.

Answer

(Geoffroy)

The Project Coordinator position was filled on 12/06/99.

Attachment 61

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 61

Please explain why Chesapeake increased Account 909, Informational and Instructional Advertising, by $5,000 in 2001.

Answer

(Geoffroy)

As is described on page 52 of Mr. Jeff Householder's Direct Testimony, the Company projects to incur $5,000 per year in educational information related to its transportation service offerings in compliance with new Rule 25-7.0335 F.A.C.

Attachment 62

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 62

Please explain why Chesapeake increased Account 912, Demonstrating and Selling Expenses, by $63,000 in 2001.

Answer

(Geoffroy)

The Company projects adding a Sales Representative position on or before January 1, 2001. This position is required for the Company to achieve its aggressive residential customer growth of over 10% in the Projected Test Year.

Attachment 63

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 63

Please indicate the date by which the sales position associated with Account 912 is projected to be filled. Assuming that the position is not filled by January 1, 2001, please indicate whether the person ultimately hired for the position will be hired at less than $63,000 annually.

Answer

(Geoffroy)

The Sales Representative position was filled on 9/11/00.

Attachment 69

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 69

Please indicate whether Chesapeake has included 12 months salary in expenses for all new positions in 2000 and 2001. If your answer is negative, please indicate the time period for which Chesapeake has included salary expenses associated with these positions.

Answer

(Geoffroy)

Chesapeake has included 12 months salary in expenses for all the new positions in 2000 and 2001.

Attachment 71

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 71

Please state whether the company plans to eliminate any personnel positions in 2000 or 2001. If your response is affirmative, please indicate how many positions the company plans to eliminate and the salary and benefits impact of those cuts.

Answer

(Geoffroy)

The company does not plan to eliminate any personnel positions in 2000 or 2001.

Attachment 75

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 75

Referring to Schedule G-2 on page 223 of the MFRs, please indicate what items are included in the amounts of $223,501 and $87,089 shown for Account 921, under Other Trended.

Answer

(Williams)

PC Repairs		$474
Computer Expense		$88,915
Telephone		$28,094
Office Supplies		$51,184
Bank Service Charges		$11,199
Travel Expenses		$43,635
	Total	**$223,501**

Utilities		$7,283
Subscriptions		$8,677
Janitorial		$2,137
Memberships & Dues		$32,391
Seminars		$4,870
Meals		$31,731
	Total	**$87,089**

Attachment 78

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 78

Please explain why expenses in Account 877, Measuring and Regulating Station Expenses – City Gate Check Stations, decreased from $21,478 in 1999 to $6,972 in 2000.

Answer

(Williams)

With the conversion to cellular EFM devices at the M&R stations, Chesapeake expects to reduce costs by eliminating the higher cost of phone lines and replacing them with cellular.

Attachment 79

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 79

Please explain why expenses in Account 890, Maintenance of Measuring and Regulating Station Equipment – Industrial, decreased from $23,383 in 1999 to $9,022 in 2000.

Answer

(Williams)

This account is used to capture maintenance costs for repairs of the regulating stations due to lightning strike related storm damage. Chesapeake expects to reduce repair expenses caused by lightning entering through phone lines by replacing with cellular.

Attachment 85

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 85

Please explain how Chesapeake determines the accrual for Account 904, Uncollectible Accounts.

Answer

(Williams)

The accrual for Account 904 is based on the total revenue for the month minus any flex revenue multiplied by .0015.

Attachment 88

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 88

For the years 1996 – 1999, please provide a schedule showing for each year the cost and number of gallons of odorant purchased and the number of gallons and amount expensed.

Answer

(Williams)

The cost and number of gallons of odorant purchased and the number of gallons and amount expensed are the same and are shown in the table below.

	Expensed Amount	Gallons Purchased
1996	$ 25,652	4,800
1997	$ 12,748	2,400
1998	$ 26,366	4,900
1999	$ 20,142	3,800

Attachment 89

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 89

Please identify the expense account to which odorant is charged and indicate the amount of odorant projected to be expensed in the year 2001.

Answer

(Williams)

The account 8742-Leak Investigation contains the charges for odorant. The Florida Division of Chesapeake Utilities Corp. has $23,238 projected to be expensed in the year 2001.

Attachment 90

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 90

Please indicate whether Chesapeake included in the 1999 historic test year any costs for recruiting new employees and whether Chesapeake trended any such costs to the year 2001. If your response is affirmative, please provide the amount of any such costs and identify the account(s) to which these costs were expensed. For purposes of this interrogatory, the term "costs for recruiting new employees" includes, but is not limited to, moving expenses, mortgage payments, and job search services.

Answer

(Williams)

Chesapeake did not include any costs for recruiting new employees in 1999 and therefore did not trend any such costs to the year 2001.

Attachment 91

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 91

Please indicate whether relocation expenses for any existing employees or any employees projected to be hired in the years 2000 and 2001 were included in expenses. If your response is affirmative, please provide the amount of any such expenses and identify the account(s) to which these costs were expensed.

Answer

(Williams)

Relocation expenses for existing employees and any employees projected to be hired in the years 2000 and 2001 are not included in expenses.

Attachment 94

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 94

Referring to Schedule G-2 on page 205 of the MFRs, please explain why Chesapeake projects zero for Taxes Other than Income-Growth.

Answer

(Williams)

The line item, Taxes Other than Income, contains the amounts based on historical numbers and is projected into 2000 and 2001. It is not broken out by growth.

Attachment 97

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 97

Please indicate whether Chesapeake purchases accounts receivable insurance to cover loss of revenues due to non-payment by customers. If your response is affirmative, please provide the amount included in expenses for this insurance and indicate how those expenses are recorded. If your response is negative, please explain why Chesapeake does not purchase this insurance.

Answer

(Williams)
The Florida Division purchases no accounts receivable insurance. These costs were disallowed in the last rate case.

Attachment 99

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 99

Referring to Schedule C-18 on page 61 of the MFRs, please respond to the following concerning Miscellaneous Intangibles:

a. Please provide a detailed description of the investments included in Miscellaneous Intangibles.

b. Please provide a breakdown of the investments in Miscellaneous Intangibles by year in which each investment was incurred.

c. Please identify the date when Chesapeake began amortization of Miscellaneous Intangibles.

Answer

(Williams)

a) The investment included in Miscellaneous Intangibles is the billing system (Utilicis) currently being used by the company.

b) The investment of $1,002,616 for the billing system Utilicis which is included in Miscellaneous Intangibles was placed in service in December 1995.

c) Chesapeake began amortization of Miscellaneous Intangibles in December 1995.

Attachment 105

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 105

Please indicate whether Chesapeake Utilities Corporation allocated any expenses to the Florida Division that the Florida Public Service Commission has previously disallowed for recovery, including, but not limited to, lobbying expenses, charitable contributions, social dues, and image building advertising. If your response is affirmative, please identify each expense allocated, the amount allocated, and the account in which each expense is recorded for years 1999, 2000, and 2001.

Answer

(Williams)

Chesapeake Utilities Corp. did not allocate any expenses to the Florida Division that the Florida Public Service Commission has previously disallowed for recovery, including, but not limited to, lobbying expenses, charitable contributions, social dues, and image building advertising.

Attachment 106

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 106

Please identify the account(s) in which any advertising expenses for 1999 and 2000 were recorded.

Answer

(Williams)

Account 913 contains advertising expenses for 1999 and 2000.

Attachment 107

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 107

Please indicate whether Chesapeake included in expenses any costs for Christmas parties, picnics, or similar social events. If your response is affirmative, please provide the amounts included in expenses for any such events and identify the accounts in which those expenses were recorded.

Answer

(Williams)

Chesapeake did not include any expenses for Christmas parties, picnics, or similar social events.

Attachment 111

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 111

Referring to Schedule C-5 on page 45 of the MFRs, please explain why Account 881, Rents, increased from $2,223 in November 1999 to $16,667 in December 1999. In your response, please indicate whether the increase represents an ongoing or a non-recurring expense.

Answer

(Williams)

In December 1999, this account was charged for two months rent at $8,333 per month for the recurring cost associated with the lease of pipeline capacity (effective November 1, 1999) from Citrosuco North America, Inc.

Attachment 111

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 111

Referring to Schedule C-5 on page 45 of the MFRs, please explain why Account 881, Rents, increased from $2,223 in November 1999 to $16,667 in December 1999. In your response, please indicate whether the increase represents an ongoing or a non-recurring expense.

Answer

(Williams)

In December 1999, this account was charged for two months rent at $8,333 per month for the recurring cost associated with the lease of pipeline capacity (effective November 1, 1999) from Citrosuco North America, Inc.

Attachment 112

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 112

Please provide a list of all rental locations for which the amount of $54,161 included in Account 931, Rents, has been expended.

Answer

(Williams)

1) 1514 S. Alexander St., Suite 107, Plant City, FL 33566.

2) 1639 W. Gulf to Lake Hwy., Lecanto, FL 34461.

3) Corporate allocated rent.

Attachment 113

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 113

For 1999, please provide the amount of rental expense included for the building in Plant City, Florida. In your response, please indicate whether this is the same building for which an adjustment was required in Chesapeake's last rate case (Order No. 23166) and, if so, whether Chesapeake made a consistent adjustment in its MFRs to remove a portion of the rent. Please explain any adjustment made.

Answer

(Williams)

Rental expense for the Plant City, Florida building is $902.05 per month. This is not the same building for which an adjustment was required in Order No. 23166.

Attachment 123

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 123

Referring to Audit Exception No. 1 of the Audit Report prepared for this proceeding, please respond to the following:

a. Please explain why sales tax was apparently double-counted.

b. If sales tax was double-counted or some other error occurred, please provide the total amount erroneously included in Plant for 1999, 2000, and 2001.

Answer

(Williams)

a. The utility charged additional sales tax of $1,114 and $1,210 on the total amount of two invoices in account 376 and an additional $575 on an invoice in account 381. The tax was included in the invoices and then the utility inadvertently charged an additional 6% sales tax on the total invoice.

b. The total amount erroneously included in Plant for 1999 was $2,324 in account 376 and $575 in account 381. Therefore, 2000 and 2001 are also overstated by these amounts.

Attachment 130

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 130

Referring to page 249 of the MFRs, please explain why Chesapeake did not include a Bad Debt factor.

Answer

(Williams)

There was no bad debt factor used in the last rate case. Therefore, it is not included in this filing.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for rate increase by Florida Division of Chesapeake Utilities Corporation

Docket No. 000108-GU

NOTICE OF SERVICE OF FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION'S ANSWERS TO STAFF'S THIRD SET OF INTERROGATORIES (NOS. 21, 22, 24, 26, 29, 31, 34, 38, 39, 43, 44, 52, 55, 56, 74, 76, 77, 93, 102, 104, 108, 125-128)

The Florida Division of Chesapeake Utilities Corporation, by and through its undersigned counsel, hereby files and serves Notice that it has served its Answers to Staff's Third Set of Interrogatories (Nos. 21, 22, 24, 26, 29, 31, 34, 38, 39, 43, 44, 52, 55, 56, 74, 76, 77, 93, 102, 104, 108, and 125-128) by hand-delivery on W. Cochran Keating, IV, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, on this 27th day of September, 2000.

Wayne L. Schiefelbein

Wayne L. Schiefelbein
P.O. Box 15856
Tallahassee, FL 32317-5856
(850) 422-1013
(850) 531-0011 (fax)

Attorney for the Florida Division of Chesapeake Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been furnished by hand-delivery to W. Cochran Keating, IV, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, on this 27th day of September, 2000.

Wayne L. Schiefelbein

Wayne L. Schiefelbein

Customer Advances for Construction $196,399

This item should not have been shown in the working capital per books; however, it was adjusted out of working capital to Other Adjustments, as reflected on Schedule B-13, Bates-stamped page 27.

Included in working capital per books and also as a deduction to Utility Plant on Schedule G-1, Page 1 of 28, Bates-stamped page 177, is the following item:

Customer Advances for Construction $267,828

This item should not have been shown in the working capital per books; however it was adjusted out of working capital, as reflected on Schedule G-1, Page 3 of 28, Bates-stamped page 179.

The final reconciling item is Equity. It is inadvertently shown on Schedule G-3, Page 2 of 11, Bates-stamped page 239 as $11,822,978 instead of the correct balance sheet equity amount of $12,453,262, as reflected on Schedule G-1, Page 8 of 28, Bates-stamped page 184, or a difference of $630,284. Since the capital structure is reconciled to rate base and reflects the same debt/equity ratios as Chesapeake Utilities Corporation, there is no effect to this error.

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c. The Company made all appropriate adjustments to rate base, as reflected on Schedule G-1, pages 2 through 4 of 28, Bates-stamped pages 178 through 180, and then reconciled capital structure to rate base.

custom programming, training and development tools for national and international clients from offices in Atlanta, Georgia and Detroit, Michigan.

Other: (Non-Regulated) The "Other" business segment includes the operations of water conditioning and treatment businesses, Skipjack, Inc. and Eastern Shore Real Estate, Inc. Chesapeake expanded into water conditioning and treatment products and services with the acquisition of Sam Shannahan Well Co., Inc. (d.b.a. Tolan Water Service) during 1998. Tolan Water Service is based in Salisbury, Maryland and, in 1999, expanded its water conditioning and treatment operations to Dover, Delaware and entered the bottled water business. In 1999, Chesapeake acquired EcoWater Systems of Michigan, Inc. (d.b.a Douglas Water Conditioning), based in Detroit, Michigan, one of the leading EcoWater dealerships in the country. In early 2000, the Company acquired Carroll Water Systems, Inc. of Westminster, Maryland, which has an established foothold in suburban areas around Baltimore, Maryland. Skipjack, Inc. and Eastern Shore Real Estate, Inc., own and lease properties primarily to affiliated companies.

order to properly reflect the working capital balance at year end. In a real accounting situation, the elimination is made against other Chesapeake entities.

the Historic Base Year + 1 (Bates-stamped page 182) and multiplying by 1.15 to arrive at the monthly balances for 2001.

c. The amount of the deposit is based on an amount equal to the average estimated charges for gas service for the two (2) highest billing periods over the year. Thus, it is appropriate to project this account using revenue growth rather than customer growth.

d. These two accounts, "Customer Deposits – Accounts Payable" and "Customer Deposits" are the same account. The first description was used during the Historic Base Year and the latter description was used during the Historic Base Year + 1 and Projected Test Year.

Attachment 38

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 38

Referring to Schedule B-1 on page 10 of the MFRs, please explain why the Accounts Receivable-Service account increased from $129,642 in November 1999 to $765,744 in December 1999.

Answer

(Williams)

The Accounts Receivable-Service account increased considerably from November 1999 to December 1999 due primarily to a number of large invoices to TECO\Peoples Gas for the Citrosuco project and the transfer of the Florida Division's Fishhawk assets to TECO\Peoples Gas as a result of a territorial agreement approved by the Florida Public Service Commission by Order No. PSC-99-2106-PAA-GU, dated October 25, 1999.

Invoices to Citrosuco $335,387

Invoices For Fishhawk $356,591

Total for 2 Projects $691,978

Attachment 43

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 43

Referring to Schedule G-1 on page 179 of the MFRs, please respond to the following:

a. Please list and describe the items included in the Misc. Current Liabilities balance of $620,710 for 2001, and provide the amount for each item, including a description and amount for each item included in the $525,478 amount that was removed from working capital.

b. Please explain why the $525,478 adjustment to Misc. Current Liabilities did not change from 1999 to 2001.

c. Please indicate whether Chesapeake agrees that the $525,478 adjustment shown on page 179 should actually be $535,783 to correct for the flex rate liability shown on page 29 of the MFRs. Please explain your response.

Answer

(Williams)
a.

Accrued executive bonus	29,266
Accrued payroll	10,212
Accrued audit fees	16,448
Deferred revenue	7,581
Flex liability	57,185
Citrosuco prepaid revenue	21,420
109 regulatory liability	276,379
Unearned interest income	202,219
	620,710

Flex liability	46,880
109 regulatory liability	276,379
Unearned interest income	202,219
	525,478

Attachment 44

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 44

Concerning Chesapeake's flex rate revenues and liabilities, and other flex rate revenue accounts, please respond to the following:

a. Please explain the accounting and ratemaking treatment used by Chesapeake for the Flexible Rate Adjustment and the flex rate revenues.

b. Please identify the customer classes (interruptible and/or firm) affected and describe in detail how they are affected.

c. Please describe the methodology used to calculate interest on the flex rate liability and provide calculations of this amount for 1999, 2000, and 2001.

d. Please provide the basis for the interest rate assigned to the flex rate liability.

e. Please identify any specific authority that supports Chesapeake's recording of the flex rate liability interest and method of calculating this interest.

Answer

a. Flex rate revenues are calculated monthly by determining the amount collected from each interruptible customer over or under the tariff base rate. One half of the over or under collection is recorded as income and one half of the over or under collection is recorded into a liability account to be either collected or refunded to customers. Each year the over or under collection is divided by the estimated annual therm sales and then refunded or collected on a per therm basis over the next year.

Attachment 52

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 52

For 1999, please list, describe, and indicate the amount of any dues paid by the Florida Division of Chesapeake Utilities Corporation and any dues allocated to the Florida Division other than those shown on Schedule C-11, page 54 of the MFRs. In your response, please indicate the account in which these dues are recorded and explain how these dues were trended.

Answer

(Williams)

Total Central Florida Gas dues paid in 1999 were $33,116. In addition to the dues listed on MFR Schedule C-11 are the following items:

Sertoma Club	$261
Chamber of Commerce	$3,904
Economic Development	$500
Rotary Club	$260
Kiwanis Club	$122
Miscellaneous	$427
Total	$4,474

Attachment 55

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 55

Schedule C-38, page 85 of the MFRs, indicates that expenses for Account 878, Meter and House Regulator Expense, "are up due to increased employee related costs and vehicle charges following the driver." Please explain the basis for the increase in "employee related costs."

Answer

(Williams)

Meter and house regulator expenses increased significantly over the benchmark for several reasons. Vehicle charges are recorded differently now than in 1989. Chesapeake now records all vehicle costs with the employee that drives the vehicle. Depreciation, fuel, repairs, etc. all are allocated based on where the employee charges his time. So if 50% of an employee's time is charged to account 878, then 50% of his vehicle charges are also charged to account 878. The geographic diversity of our customer base results in increased time spent per customer. Longer distances to some of the new developments in Davenport and the I-4 corridor increase our response times. The Company now pays a weekly, fixed amount for employees who are on-call. In 1989, the Company did not pay this weekly, fixed amount. The Company has also extended the hours that it provides

Attachment 56

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 56

Referring to Schedule C-5 on page 45 of the MFRs, please explain the increase in Account 893, Maintenance of Meters & House Regulators, from $4,005 in February 1999 to $20,815 in March 1999.

Answer

(Williams)

The company incurred costs of $17,970 associated with the repair of large industrial meters. The timing of these invoices occurred within the same month.

Attachment 76

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 76

According to Schedule G-2, page 223 of the MFRs, Account 924 is not trended. Please explain the basis for projecting this expense.

Answer

(Williams)

According to Chesapeake's Vice President of Administrative Services, property insurance premiums are expected to increase by 3.5% per year, and no increases are expected over the next two years for both Comprehensive Crime and Bonds & Licenses.

Attachment 93

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 93

Please indicate whether Chesapeake separately states gross receipts tax on customers' bills. If your response is affirmative, please explain why Chesapeake has included gross receipts tax as a component of the revenue expansion factor.

Answer

(Williams)

Chesapeake does state gross receipts tax separately on customers' bills.

The Company does not oppose removing the gross receipts tax as a component of the revenue expansion factor.

Attachment 104

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 104

Please explain the methodology used by Chesapeake Utilities Corporation to allocate health insurance costs.

Answer

(Williams)

Please refer to the response to Audit Request #42 provided on July 31, 2000.

a. Line 6, in the amount of $37,422 for Legal Expenses is 18% of corporate legal costs. A retainer of $15,000 per month is paid for legal services for an annual total of $180,000. In addition to these charges, specific charges of $28,035 were paid for a corporate total of $208,035. The Florida Division's allocation of 18% is $37,422. The $30,164 in Other Consulting fees as shown on line 12 represent 18% of corporate charges for other miscellaneous consulting fees. The consulting fees consist of 30% for strategic business planning consulting, 15% for tax consulting, and the remaining 55% to seven vendors for miscellaneous consulting.

b. As is described in detail on pages 39-40 of the Direct Testimony of Thomas A. Geoffroy, Mr. Langer has been retained to provide key community and governmental contacts for the new Citrus County distribution system. Mr. Langer has assisted the Company on many matters, including the acquisition of a piece of property for the city gate station from a local developer at no cost, obtaining commitments from the two largest developers in the County to utilize natural gas in their home construction, and facilitating the Company's understanding and functioning of the local (City and County) permitting processes. Mr. Langer's services are required to successfully manage relations with local governmental agencies, negotiate with additional developers and builders and interact with local economic development agencies.

c. Baker and Hostetler provides local, legal services relating to labor issues and customer bankruptcy proceedings.

d. As is described in detail on pages 40-41 of the Direct Testimony of Thomas A. Geoffroy, the Associated Gas Distributors of Florida (AGDF) provides a key

Attachment 125

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 125

For 1999, 2000, and 2001, please provide the amount of accumulated deferred income taxes associated with the purchased gas adjustment (PGA) and indicate whether the amount is a debit or credit balance in each of these years.

Answer

(Geoffroy)

The amount of accumulated deferred income taxes associated with the PGA for 1999, 2000 and 2001 are as follows:

1999	$54,521	Debit balance
2000	$54,521	Credit balance
2001	$54,521	Credit balance

Attachment 127

STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (Nos. 21 – 133)
DOCKET NO. 000108-GU

INTERROGATORIES

Interrogatory No. 127

For years 1999, 2000, and 2001, please provide the amount of accumulated deferred income taxes associated with the energy conservation cost recovery clause (ECCR) and indicate whether the amount is a debit or credit balance in each of these years.

Answer

(Geoffroy)

The amount of accumulated deferred income taxes associated with the ECCR for 1999, 2000 and 2001 are as follows:

1999	$141	Debit balance
2000	$141	Credit balance
2001	$141	Credit balance

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for rate increase by Florida Division of Chesapeake Utilities Corporation

Docket No. 000108-GU

NOTICE OF SERVICE OF FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION'S RESPONSES TO STAFF'S REQUEST FOR LATE-FILED DEPOSITION EXHIBITS NOS. 1-4 (MOUL)

The Florida Division of Chesapeake Utilities Corporation, by and through its undersigned counsel, hereby files and serves Notice that it has served its Responses to Staff's Request for Late-filed deposition exhibits nos. 1-4 (Moul) by hand-delivery on Robert V. Elias, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, on the 10th day of October, 2000.

Wayne L. Schiefelbein
P.O. Box 15856
Tallahassee, FL 32317-5856
(850) 422-1013
(850) 531-0011 (fax)

Attorney for the Florida Division of Chesapeake Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been furnished by hand-delivery to Robert V. Elias, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, on the 10 th day of October, 2000.

Wayne L. Schiefelbein

Late-Filed Exhibit 1

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

DEPOSITION OF PAUL R. MOUL

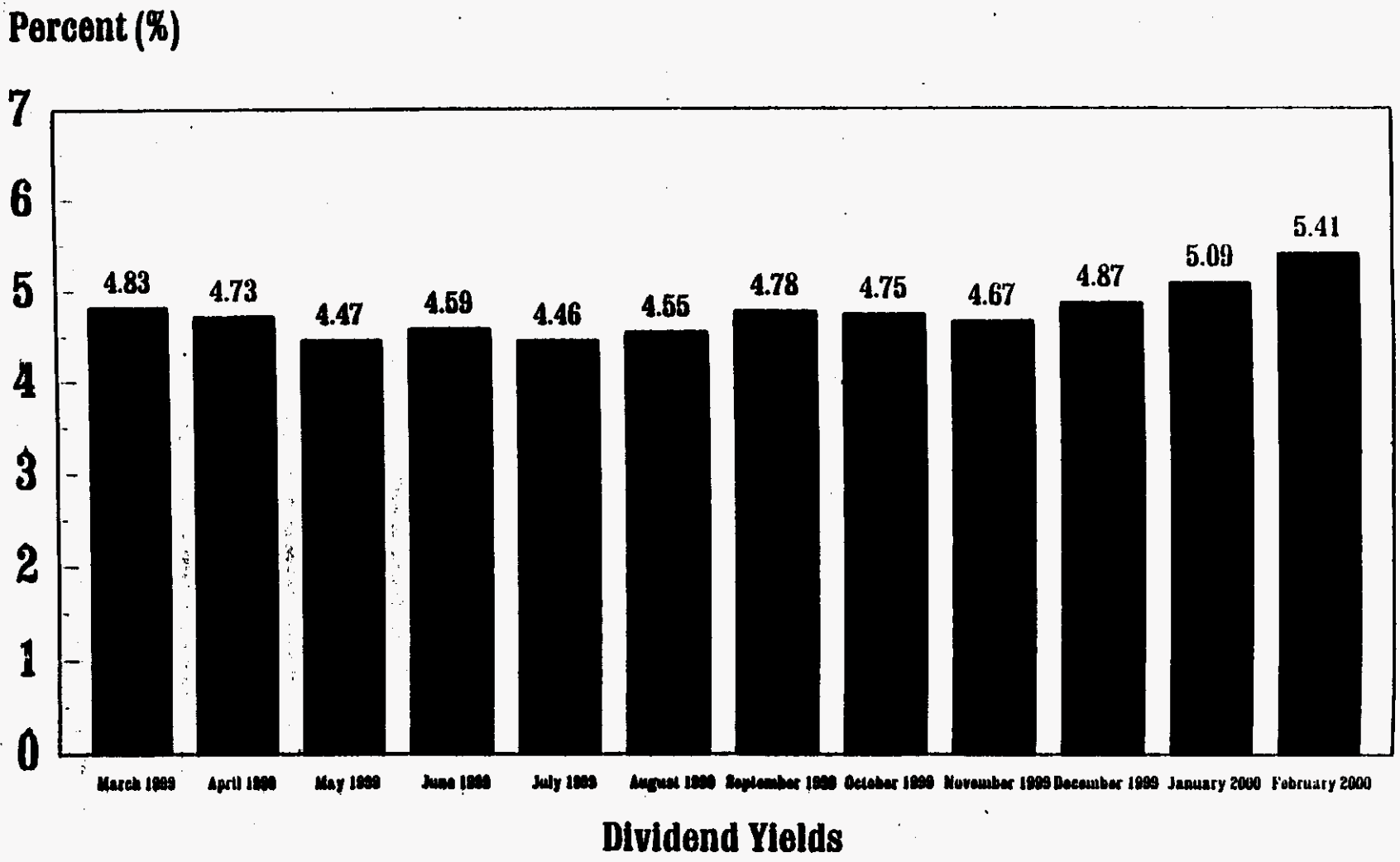
Request No. 1: Please re-calculate Schedule 6 of Composite Exhibit PRM-1 and its associated workpaper with dividend yields excluding the ex-dividend adjustment.

Response No. 1: The requested data is provided on Attachment 1.

Barometer Group of Seven Gas Distribution Companies

Monthly Dividend Yields

for the Twelve Months Ended February 2000



Monthly Dividend Yields (1) for
the Barometer Group of Seven Gas Distribution Companies
for the Twelve Months Ending February 2000

	Mar-99	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Jan-2000	Feb-2000	12-Month Average Mar-99 through Feb-2000	6-Month Average Sep-99 through Feb-2000	3-Month Average Dec-99 through Feb-2000
Barometer Group of Seven Gas Companies															
AGL Resources	6.15%	5.94%	6.72%	6.86%	6.72%	6.96%	6.65%	6.21%	5.84%	6.35%	6.26%	6.33%			
Atmos Energy Group	4.67%	4.36%	4.33%	4.40%	4.40%	4.39%	4.58%	4.85%	4.93%	5.58%	6.51%	6.65%			
Chesapeake Utilities	6.23%	6.13%	6.58%	6.39%	6.44%	6.60%	6.03%	5.82%	5.70%	5.66%	5.72%	5.80%			
Energen Corp	4.28%	3.71%	3.35%	3.44%	3.41%	3.39%	3.28%	3.57%	3.43%	3.65%	3.83%	4.06%			
EnergySouth Inc.	4.29%	4.37%	4.56%	4.66%	4.56%	4.67%	4.42%	4.67%	4.58%	4.63%	4.95%	5.30%			
NUI Corporation	4.65%	4.52%	3.94%	3.92%	3.87%	3.82%	3.96%	3.96%	3.89%	3.71%	3.52%	4.13%			
Piedmont Natural Gas	3.71%	4.08%	3.85%	4.43%	4.05%	4.11%	4.55%	4.31%	4.35%	4.58%	4.84%	5.58%			
Average	4.83%	4.73%	4.47%	4.59%	4.46%	4.55%	4.78%	4.75%	4.67%	4.87%	5.09%	5.41%	4.77%	4.93%	5.12%

Note: (1) Monthly dividend yields are calculated by dividing the annualized quarterly ex-dividend (multiplying the quarterly ex-dividend by 4) by the month-end closing stock price adjusted by an ex-dividend factor.

Source of information: Interactive Data Corporation
Value Line Investment Survey

Month-End Closing Stock Price

CPRC

	31-Mar-99	30-Apr-99	28-May-99	30-Jun-99	30-Jul-99	31-Aug-99	30-Sep-99	29-Oct-99	30-Nov-99	31-Dec-99	31-Jan-2000	29-Feb-2000
ATA	17.563	18.188	18.875	18.438	18.875	18.063	16.25	17.375	18.5	17	17.188	17.063
EGAS	24.063	25.25	25.375	25	25	25.063	24.125	22.688	22.313	20.438	17.5	17.125
CHU	16.063	16.313	18	18.563	18.375	18.188	17.25	17.875	18.25	18.375	18.188	17.938
AGA	14.938	17.25	19.125	18.625	18.75	18.875	20.25	18.5	19.25	18.063	17.25	16.25
ENSJ	20.5	20.125	19.313	20.188	20.625	20.125	21.25	20.563	20.625	20.75	19	17.75
NUI	21.563	21.688	24.875	25	26.688	25.625	24.75	24.813	25.188	26.375	27.813	23.75
PMG	35	31.875	33.813	31.125	34.063	33.563	30.313	32	31.75	30.125	28.5	24.75

CSUTL
Q142

Compustat Utility
AP2

Quarterly Dividend

		09/30/98	12/31/98	03/31/99	06/30/99	09/30/99	12/31/99
ATA	AGL Resources	$0.270	$0.270	$0.270	$0.270	$0.270	$0.270
EGAS	Atmos Energy Group	$0.265	$0.275	$0.275	$0.275	$0.275	$0.285
CHU	Chesapeake Utilities	$0.250	$0.250	$0.250	$0.250	$0.260	$0.260
AGA	Energen Corp	$0.160	$0.160	$0.160	$0.160	$0.165	$0.165
ENSJ	EnergySouth Inc.	$0.220	$0.220	$0.220	$0.235	$0.235	$0.235
NUI	NUI Corporation	$0.245	$0.245	$0.245	$0.245	$0.245	$0.245
PMG	Piedmont Natural Gas	$0.325	$0.325	$0.325	$0.345	$0.345	$0.345

Late-Filed Exhibit 2

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

DEPOSITION OF PAUL R. MOUL

Request No. 2: Please provide a calculation that supplements the data presented on page 2 of Schedule 11 of Composite Exhibit No. PRM-1 that contains data for the ten year period 1990 to 1999.

Response No. 2: The requested data is provided on Attachment 2.

Tabulation of Risk Rate Differentials for
S&P Public Utility Index and Public Utility Bonds
For the Years 1928-1999, 1952-1999, 1974-1999 and 1979-1999

Total Returns	Range			Point Estimate	Average of the Midpoint of Range and Point Estimate
	Geometric Mean	Median	Midpoint	Arithmetic Mean	
1928-1999					
S&P Public Utility Index	8.87%	11.26%		11.01%	
Public Utility Bonds	5.43%	4.36%		5.73%	
Risk Differential	3.44%	6.90%	5.17%	5.28%	5.23%
1952-1999					
S&P Public Utility Index	11.43%	12.05%		12.53%	
Public Utility Bonds	6.24%	4.80%		6.59%	
Risk Differential	5.19%	7.25%	6.22%	5.94%	6.08%
1974-1999					
S&P Public Utility Index	14.10%	14.72%		15.38%	
Public Utility Bonds	9.34%	9.82%		9.76%	
Risk Differential	4.76%	4.90%	4.83%	5.62%	5.23%
1979-1999					
S&P Public Utility Index	15.26%	14.82%		16.20%	
Public Utility Bonds	10.08%	10.19%		10.49%	
Risk Differential	5.18%	4.63%	4.91%	5.71%	5.31%
1990-1999					
S&P Public Utility Index	9.30%	11.26%		10.26%	
Public Utility Bonds	8.39%	9.05%		8.69%	
Risk Differential	0.90%	2.21%	1.56%	1.57%	1.56%

Late-Filed Exhibit 3

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

DEPOSITION OF PAUL R. MOUL

Request No. 3: Please provide a copy of the article by Standard and Poor's dated June 21, 1999 that was referenced in Mr. Moul's direct testimony on line 10 of page 19.

Response No. 3: A copy of the requested article is provided on Attachment 3.

Vol. 6, No. 25

Global Utilities Rating Service

Standard & Poor's UTILITIES & PERSPECTIVES

INSIDE

4 ... AEC Conversation With Standard & Poor's
... Global Utilities Rating Service Managing Director
... Nevada Commission Settles on South Western Electricity and London Electricity Affirmed
... Northeast Utilities Debt Ratings Affirmed
6 ... Hanover and Dynegy Agree to Merge
... Citizens Utilities Ratings Remain On Watch Neg.
... NRG Energy Placed On Watch Neg.
... Illinois Central Management Changes
... Mirant Corp. Affirmed; Ratings Removed
... Southern Union Co. Placed On Watch Neg.
... Energy and Indiana Gas On Watch Pos.
8 ... Last Week's Rating Actions
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... Gener's Debentures Are Rated
... PowerGen U.K.'s Bonds Are Rated
10 ... Utility Credit Rankings

STANDARD &POOR'S

Utility Financial Targets Are Revised

Standard & Poor's has revised the four principal financial targets that it uses to analyze the credit quality of all investor-owned electric, natural gas, and water utilities in the U.S. *(see table on page 3)*.

Standard & Poor's has created a single set of financial targets that can be applied across the different utility segments. These financial measures reflect the convergence that is occurring throughout the utility industry and the changing risk profile of the industry in general.

No rating changes will result from establishing these new financial targets since they were developed by integrating prior utility financial benchmarks and historical industrial medians. The new financial targets, like the previous benchmarks, pertain to risk-adjusted ratios that distinguish between lower-risk and higher-risk activities. The targets have been broadened to correspond with Standard & Poor's 10-point business profile assessments. The business profile scores assess the qualitative attributes of a firm, with "1" being considered lowest risk and "10" highest risk. Thus, the new targets allow for comparability on a single scale between typically lower-risk activities, such as water operations, gas distribution, and electric transmission, and higher-risk activities, such as merchant power generation, oil and gas exploration and production, and energy trading and marketing. For example, a water utility, which can expect to have a lower business risk profile than a typical integrated electric utility, will be required to meet less stringent financial targets for any given rating category.

Funds from operations to total debt, funds from operations interest coverage, pretax interest coverage, and total debt to total capital are the four credit-protection ratios that are an integral part of Standard & Poor's quantitative review on the overall credit analysis of the utility sector. Standard & Poor's recognizes that the nature of utilities' business strategies is changing significantly and is shifting toward higher-risk endeavors. These undertakings bear risk characteristics that are more representative of an industrial company than a regulated utility. Therefore, Standard & Poor's also incorporates a greater reliance on several additional ratios in its credit analysis. These include, but are not limited to, pretax return on permanent capital, funds from operations to current obligations, earnings before interest and taxes to total assets, net cash flow to capital expenditures, and capital expenditures to average total capital. Additionally, further analysis of the cash flow coverage of all obligations (including preferred stock) is performed. Although these measures do not have published targets, broader use of these financial ratios, combined with the four principal targets, provides greater depth to the fundamental analysis used in the rating evaluation process.

Consistent with Standard & Poor's ratings methodology, the four published financial targets will be used with other quantitative measures, business risk analysis, and comparative analysis of peer groupings to determine credit ratings. The new targets are designed to assist utilities, utility affiliates, and the investment community in assessing the relative financial strength of issuers. ■

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(continued on page 3)

UTILITY SPOTLIGHT **AEP/CSW Merger May Close by Year End ..... page 2**

COVER STORY

(continued from page 1)

Revised Utility Group Financial Targets*

FFO to total debt

Business position	'AA'		'A'		'BBB'		'BB'		'B'	
1	20.0	16.5	16.5	12.5	12.5	7.0	<7.0			
2	25.0	21.0	21.0	16.0	16.0	10.5	<10.5			
3	31.5	28.0	26.0	20.0	20.0	14.0	14.0	9.5	9.5	4.0
4	38.5	30.5	30.5	24.5	24.5	17.5	17.5	12.0	12.0	6.0
5	40.0	33.0	33.0	27.0	27.0	20.5	20.5	15.0	15.0	7.5
6	47.0	39.0	39.0	31.0	31.0	22.0	22.0	16.0	16.0	8.5
7	56.0	47.0	47.0	36.5	36.5	24.5	24.5	17.0	17.0	9.5
8	68.0	56.0	56.0	42.5	42.5	27.5	27.5	18.5	18.5	11.0
9			64.5	49.5	49.5	32.0	32.0	22.0	22.0	12.5
10			78.0	60.5	60.5	39.0	39.0	28.0	28.0	17.5

FFO interest coverage

Business position	'AAA'		'A'		'BBB'		'BB'		'B'	
1			2.8	1.9	1.9	0.9	<0.9			
2			3.3	2.5	2.5	1.5	<1.5			
3			3.9	3.1	3.1	2.1	2.1	1.3		
4			4.5	3.8	3.8	2.7	2.7	1.8		
5			4.8	4.0	4.0	3.0	3.0	2.1		
6			5.7	4.5	4.5	3.1	3.1	2.2		
7			7.0	5.1	5.1	3.3	3.3	2.3		
8			8.3	5.9	5.9	3.5	3.5	2.4		
9			9.5	7.1	7.1	4.3	4.3	2.9		
10			11.3	8.6	8.6	5.3	5.3	3.6		

Pretax interest coverage

Business position	'AAA'		'A'		'BBB'		'BB'		'B'	
1			2.4	1.8	1.8	0.8	<0.8			
2			2.9	2.3	2.3	1.3	<1.3			
3			3.4	2.8	2.8	1.8	1.8	1.1		
4			4.0	3.3	3.3	2.2	2.2	1.3		
5			4.3	3.5	3.5	2.4	2.4	1.5		
6			5.2	4.0	4.0	2.6	2.6	1.6		
7			6.5	4.7	4.7	2.8	2.8	1.8		
8			8.0	5.5	5.5	3.0	3.0	2.0		
9			9.1	6.8	6.8	3.7	3.7	2.5		
10			11.1	8.4	8.4	5.0	5.0	3.3		

Total debt to total capital

Business position	'AAA'		'A'		'BBB'		'BB'		'B'	
1			55.0	60.5	60.5	67.5	>67.5			
2			51.0	56.5	56.5	63.0	>63.5			
3			47.5	53.0	53.0	59.5	61.0	57.0		
4			43.0	48.5	48.5	57.0	57.0	54.0		
5			41.5	47.0	47.0	55.0	55.0	52.5		
6			39.5	46.0	46.0	53.5	53.5	50.5		
7			37.5	45.0	45.0	52.5	52.5	50.5		
8			35.0	43.0	43.0	51.5	51.5	50.0		
9			33.0	39.0	39.0	47.5	47.5	54.0		
10			24.0	33.0	33.0	40.5	40.5	46.0		

*As of June 1998. FFO—Funds from operations.

KEY CONTACTS

Utilities/Project Finance/Infrastructure

General Contacts	
Curtis Moulton	New York (1) 212-438-2064
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Laura Feinland Katz	New York (1) 212-438-7888
Europe/Middle East/Africa	
Juan Jose Garcia	London (44) 171-826-3542
Asia/Pacific	
Duncan Warwick-Chandler	Melbourne (61) 3-9631-2078
Dan Fukutomi	Tokyo (81) 3-3593-8714

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Late-Filed Exhibit 4

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

DEPOSITION OF PAUL R. MOUL

Request No. 4: Please provide a re-calculation of Schedule 1 of Composite Exhibit No. PRM-1 that employs a 37.63% composite effective state and federal income tax rate.

Response No. 4: The requested data is provided on Attachment 4.

Florida Division of Chesapeake Utilities Corporation
Rate of Return Based Upon Investor-Provided Capital
For the Projected Period Ended December 31, 2001

Type of Capital	Ratios	Cost Rate	Weighted Cost Rate
Long-Term Debt	33.95%	7.52%	2.55%
Short-Term Debt	11.28%	6.03%	0.68%
Common Equity	54.77%	12.00%	6.57%
Total	100.00%		9.80%

Indicated levels of fixed charge coverage assuming that the Company could actually achieve its rate of return

Pre-tax coverage of interest expense based upon a 37.6300% federal income tax rate (13.76% ÷ 3.23%)	4.26 x
Post-tax coverage of interest expense (9.80% ÷ 3.23%)	3.03 x

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 11
GEOFFROY/WILLIAMS DEPOSITION

QUESTION: Provide workpapers for equity ratio per James A. Williams prefiled testimony, page 21, lines 17-18.

ANSWER: See Attachment Late Filed Deposition Exhibit-11-A

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 11-A
GEOFFROY/WILLIAMS DEPOSITION

A 13 month average spreadsheet for Chesapeake Utilities Corporation for equity, long term debt, and short term debt for December, 1998 through December, 1999.

A capital structure adjustment reconciliation for the Florida Division to rate base and the reconciliation with Chesapeake Utilities Corporation debt and equity structure.

The capitalization and liabilities page of Chesapeake Utilities Corporation balance sheet at 12/31/99.

The 12/31/99 Summary Trial Balance pages (2) with balances for equity, long term debt, short term debt, and net income for Chesapeake Utilities Corporation.

The Flex Rate Liability calculation.

Analysis of deferred tax accounts.

CHESAPEAKE UTILITIES		12/98	01/99	02/99	03/99	04/99	05/99	06/99	07/99	08/99	09/99	10/99	11/99	12/99	13 MONTH AVG
MONTH-END:	LTD	37,597,000	37,597,000	36,561,016	36,553,000	35,553,000	35,553,000	35,175,000	35,168,000	35,128,017	35,128,000	34,206,909	34,206,909	33,776,909	35,553,982
	STD	11,800,000	10,220,000	7,020,000	5,020,000	6,720,000	3,520,000	6,138,000	9,138,000	12,336,000	13,836,000	20,247,091	22,147,091	25,665,091	11,816,252
	EQUITY	56,365,884	58,866,061	58,783,947	56,517,245	61,295,341	60,247,521	60,629,807	60,170,480	58,672,474	58,617,660	52,812,329	52,866,860	53,138,370	57,371,230
	IRB	0	0	0	0	0	0	0	0	0	0	0	0	0	0

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
CAPITAL STRUCTURE ADJUSTMENTS

	Year Ending 12/31/99		Average 13 Months Ended 12/31/99
Rate Base	$20,274,493		$18,514,698
Less: Customer Deposits	($638,642)		($627,767)
Deferred Income Tax	($1,546,495)		($1,490,000)
Deferred ITC	($328,003)		($346,024)
Flex rate liability	(74,801)		(46,880)
	$17,686,552		$16,004,027
Long Term Debt	$6,003,612	33.94%	$5,432,487
Short Term Debt	$1,995,291	11.28%	$1,805,478
Common Equity	$9,687,650	54.77%	$8,766,062
Total Capital	$17,686,552	100.00%	$16,004,027
Avg CUC: LTD	$35,553,982	33.94%	
STD	$11,816,252	11.28%	
EQUITY	$57,371,230	54.77%	
Total Capital	$104,741,463	100.00%	

	CURRENT YEAR	LAST YEAR	INCREASE (DECREASE)	PREVIOUS YEAR END	INCREASE (DECREASE)
CAPITALIZATION AND LIABILITIES					
CAPITALIZATION					
STOCKHOLDERS' EQUITY					
COMMON STOCK	2.524.018	2.479.019	44.999	2.479.019	44.999
ADDITIONAL PAID-IN CAPITAL	25.782.824	24.192.188	1.590.636	24.192.188	1.590.636
RETAINED EARNINGS	24.831.529	29.995.188	(5.163.659)	29.995.188	(5.163.659)
LESS: TREASURY STOCK	0	0	0	0	0
UNEARNED COMPENSATION	0	(71.041)	71.041	(71.041)	71.041
TOTAL STOCKHOLDERS' EQUITY	53.138.370	56.596.353	(3.456.983)	56.596.353	(3.456.983)
LONG-TERM DEBT	33.776.909	37.597.000	(3.820.091)	37.597.000	(3.820.091)
TOTAL CAPITALIZATION	86.915.279	94.192.353	(7.277.074)	94.192.353	(7.277.074)
CURRENT AND ACCRUED LIABILITIES					
CURRENT PORTION LONG-TERM DEBT	2.665.091	520.000	2.145.091	520.000	2.145.091
NOTES PAYABLE = SHORT TERM	23.000.000	11.600.000	11.400.000	11.600.000	11.400.000
ACCOUNTS PAYABLE	(570.925)	514.542	(1.085.467)	514.542	(1.085.467)
CUSTOMER DEPOSITS	0	0	0	0	0
ACCRUED TAXES OTHER THAN INCOME	28.612	15.968	12.644	15.968	12.644
ACCRUED TAXES ON INCOME	(176.301)	448.907	(625.208)	448.907	(625.208)
ACCRUED INTEREST	525.813	501.124	24.689	501.124	24.689
DIVIDENDS DECLARED	1.347.784	1.273.446	74.338	1.273.446	74.338
ACCRUED OTHER EXPENSES	1.058.769	749.942	308.826	749.942	308.826
TOTAL CURRENT AND ACCRUED LIABILITIES	27.878.843	15.623.930	12.254.913	15.623.930	12.254.913
DEFERRED CREDITS AND OTHER LIABILITIES					
DEFERRED INCOME TAXES	(979.565)	(293.701)	(686.864)	(293.701)	(686.864)
DEFERRED INVESTMENT TAX CREDITS	0	0	0	0	0
OTHER LIABILITIES	2.371.914	2.118.157	253.757	2.118.157	253.757
TOTAL DEFERRED CREDITS/OTHER LIABILITIES	1.392.349	1.824.456	(432.107)	1.824.456	(432.107)
TOTAL CAPITALIZATION AND LIABILITIES	116.186.471	111.640.739	4.545.732	111.640.739	4.545.732

25,665,091

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Account Name	Opening Balance	Total Debits	Total Credits	Closing Balance
THRIFT - LOAN	12,305.23CR	25,094.54	12,789.31CR	0.00
DEFERRED POST EMPLOYMENT	158,358.00	23,787.27	3,001.00CR	179,144.27
	114,056,120.62	41,811,063.50	39,680,721.19CR	116,186,470.93
COMMON STOCK OF CUC	2,520,746.85CR	0.00	3,271.12CR	2,524,017.97CR
ADDITIONAL PAID IN CAPITAL	25,663,236.93CR	0.00	119,586.79CR	25,782,823.72CR
EARNED IN SURPLUS	33,955,415.02	0.00	0.00	33,955,415.02
RETAINED EARNINGS - ESNG	44,091,254.72CR	0.00	0.00	44,091,254.72CR
ERND SRPLS ELIN/DATE OF ACQUIS	18,996,004.12CR	0.00	0.00	18,996,004.12CR
DIVIDEND APPROPRIATIONS	5,305,562.05	76.18	0.00	5,305,638.23
UNEARNED COMPENSATION - USI	5,920.05	0.00	5,920.05CR	0.00
	52,004,345.58CR	76.18	128,777.96CR	52,133,047.28CR
CONVERTIBLE DEBENTURES 8.25%	3,714,000.00CR	52,000.00	0.00	3,662,000.00CR
SENIOR NOTE 1	8,000,000.00CR	0.00	0.00	8,000,000.00CR
SENIOR NOTE 2	9,090,909.09CR	0.00	0.00	9,090,909.09CR
SENIOR NOTE 3 6.85%	10,000,000.00CR	0.00	0.00	10,000,000.00CR
SERIES I BOND 9.37%	3,402,000.00CR	378,000.00	0.00	3,024,000.00CR
LONG-TERM DEBT PAYABLE IN 1 YR	2,547,090.91CR	0.00	118,000.00CR	2,665,090.91CR
NOTES PAYABLE	19,600,000.00CR	0.00	3,400,000.00CR	23,000,000.00CR
VOUCHERS PAYABLE	174,832.93CR	1,506,677.50	611,206.34CR	721,439.23
A/P - OTHER	0.00	8,189.14	225,255.53CR	217,066.39CR
ACCOUNTS PAYABLE - HEALTH PLAN	27,938.90	68,885.30	30,272.47CR	66,551.73
ACCRUED FICA	199,509.22	307,909.02	507,418.24CR	0.00
ACCRUED FUTA	0.34CR	0.00	22.15CR	22.49CR
ACCRUED SUTA	38.20CR	0.00	31.86CR	70.06CR
ACCRUED DELAWARE FRANCHISE TAX	8,028.00CR	0.00	6,000.00CR	14,028.00CR
PREPAID FEDERAL I/T - CURRENT	328,773.00	21,012.00	0.00	349,785.00
PREPAID MARYLAND I/T - CURRENT	6,000.39	10,000.00	0.00	16,000.39
PREPAID PA I/T - CURRENT	400.00	0.00	0.00	400.00
ACCRUED FEDERAL I/T - CURRENT	442,887.00CR	535,193.00	536,131.00CR	443,825.00CR
ACCRUED DELAWARE I/T - CURRENT	49,846.00CR	61,601.00	67,684.00CR	55,929.00CR
ACCRUED MARYLAND I/T - CURRENT	20,207.00CR	24,275.00	22,952.00CR	18,884.00CR
ACCRUED FLORIDA I/T - CURRENT	30,621.00CR	36,129.00	30,546.00CR	25,038.00CR
PREPAID FEDERAL I/T - PRIOR	581,479.00	0.00	0.00	581,479.00
PREPAID MARYLAND I/T - PRIOR	3,461.00	0.00	0.00	3,461.00
PREPAID FLORIDA I/T - PRIOR	41,695.00	0.00	41,695.00CR	0.00
PREPAID PA I/T - PRIOR	0.00	0.00	664.00CR	664.00CR
FEDERAL I/T PAYABLE - ELIN CO	230,485.00CR	0.00	0.00	230,485.00CR
PREPAID INCOME TAXES-PRIOR	0.86	0.00	0.00	0.86
RESERVE FOR PRIOR YEARS	257,952.51CR	257,952.51	0.00	0.00
ACCRUED INTEREST - SHORT TERM	188,223.39CR	188,223.39	109,796.78CR	109,796.78CR
ACCRUED INTEREST 8.25% CONV	76,848.75CR	0.00	25,533.75CR	102,382.50CR
ACCRUED INTEREST SENIOR NOTE 1	239,101.07CR	0.00	59,774.99CR	298,876.06CR
ACCRUED INTEREST SENIOR NOTE 2	115,166.66CR	172,750.00	57,583.34CR	0.00
ACCRUED INTEREST SN3 - 6.85%	285,416.66CR	342,500.00	57,083.34CR	0.00
ACCRUED INTEREST 9.37% BOND	173,501.18CR	189,274.00	30,530.58CR	14,757.76CR
DIVIDENDS DECLARED	1,347,787.92CR	1,226,415.02	1,226,491.20CR	1,347,784.10CR
A/P-DELAWARE INCOME TAX W/H	7,774.01CR	38,342.25	30,568.24CR	0.00

Net Income
Eqt + 1,005,323 = $3,138,370

Long Term Debt

S. Term Debt

Summary Trial Balance
For Accounting Period 12/1999 (DECEMBER)
(ACTIVE ACCOUNTS ONLY)

Summary Of Account Balances

	PERIOD	YTD
Total Revenues:	4,144.92CR	1,568,508.27
Total Expenses:	135,089.75CR	563,185.16
Net Income:	130,944.83CR	1,005,323.11CR
Total Assets:		116,186,470.93
Total Liabilities:		63,848,100.54
Total Stockholders Equity:		52,133,047.28

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
FLEX RATE LIABILITY
EFFECTIVE COST RATE
DECEMBER 31, 1999 ( ) = LIABILITY

This adjustment is to calculate impact of flex rate mechanism and to calculate capital cost of flex rate mechanism for schedule 4.

	ACCT BALANCE 2428	ACCT BALANCE 24281	ACCT BALANCE TOTAL	INTEREST ACCRUED 2428	INTEREST ACCRUED 24281	INTEREST ACCRUED TOTAL
DEC	(13,070)	(49,055)	(62,125)	(57)	(211)	(268)
JAN	(10,484)	(43,658)	(54,142)	(48)	(187)	(235)
FEB	(10,719)	(39,431)	(50,150)	(43)	(167)	(210)
MAR	(12,695)	(34,118)	(46,813)	(47)	(149)	(196)
APRIL	(15,116)	(29,884)	(45,000)	0	(129)	(129)
MAY	(20,524)	(25,616)	(46,140)	0	0	0
JUNE	(25,763)	(22,028)	(47,791)	0	(210)	(210)
JULY	(35,058)	(18,446)	(53,504)	(128)	(85)	(213)
AUG	(43,867)	(15,095)	(58,962)	(171)	(73)	(244)
SEPT	(51,393)	(11,950)	(63,343)	(211)	(60)	(271)
OCT	(59,861)	(8,738)	(68,599)	(245)	(46)	(291)
NOV	66,981	(5,046)	61,935	(298)	(32)	(330)
DEC	(73,799)	(1,002)	(74,801)	(341)	(15)	(356)
13 MONTH AVG	(23,490)	(23,390)	(46,880)	(1,589)	(1,364)	(2,953)
				EFFECTIVE COST RATE		6.30%

FLORIDA DIVISION
ANALYSIS OF DEFERRED TAX ACCTS
DECEMBER 31, 1999

This calculation is to update capital structure components on Schedule 4 and to eliminate impact of FASB 109 entries on balance sheet.

	DEC	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	13 MO AVG
283-1	(6,466)	(6,466)	(6,466)	(6,466)	(6,466)	(6,466)	(6,466)	(6,466)	(6,466)	(6,466)	(6,466)	(6,466)	3,187	(5,713)
283-10	(32,786)	(32,786)	(32,786)	(32,786)	(32,786)	(32,786)	(32,786)	(32,786)	(32,786)	(32,786)	(32,786)	(32,786)	(23,051)	(32,036)
283-11	0	0	0	0	0	0	0	0	0	0	0	0	4,902	377
283-12	71,720	71,720	71,720	71,720	71,720	71,720	71,720	71,720	71,720	71,720	71,720	71,720	73,466	71,864
283-18	88,341	88,341	88,341	88,341	88,341	88,341	88,341	88,341	88,341	88,341	88,341	88,341	101,822	70,824
283-16	(40,086)	(40,086)	(40,086)	(40,086)	(40,086)	(40,086)	(40,086)	(40,086)	(40,086)	(40,086)	(40,086)	(40,086)	(40,086)	(40,086)
283-2 pre 109	0	0	0	0	0	0	0	0	0	0	0	0	0	0
283-22	(1,749,810)	(1,749,810)	(1,749,810)	(1,749,810)	(1,749,810)	(1,749,810)	(1,749,810)	(1,749,810)	(1,749,810)	(1,749,810)	(1,749,810)	(1,749,810)	(1,894,802)	(1,761,063)
283-23	23,379	23,379	23,379	23,379	23,379	23,379	23,379	23,379	23,379	23,379	23,379	23,379	28,856	23,800
283-27	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	0	1,861
283-3	28,627	28,627	28,627	28,627	28,627	28,627	28,627	28,627	28,627	28,627	28,627	28,627	28,812	28,634
283-4	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(44,142)	(67,215)	(46,917)
283-6	(36,276)	(36,276)	(36,276)	(36,276)	(36,276)	(36,276)	(36,276)	(36,276)	(36,276)	(36,276)	(36,276)	(36,276)	(19,729)	(34,079)
283-7	62,911	62,911	62,911	62,911	62,911	62,911	62,911	62,911	62,911	62,911	62,911	62,911	88,140	62,821
283-8	148,671	148,671	148,671	148,671	148,671	148,671	148,671	148,671	148,671	148,671	148,671	148,671	180,321	161,106
	20,817	20,817	20,817	20,817	20,817	20,817	20,817	20,817	20,817	20,817	20,817	20,817	16,782	20,738
subtotal	(1,486,282)	(1,486,282)	(1,486,282)	(1,486,282)	(1,486,282)	(1,486,282)	(1,486,282)	(1,486,282)	(1,486,282)	(1,486,282)	(1,486,282)	(1,486,282)	(1,846,486)	(1,490,000)
283-2 (109)	(37,936)	(37,936)	(37,936)	(37,936)	(37,936)	(37,936)	(37,936)	(37,936)	(37,936)	(37,936)	(37,936)	(37,936)	(33,691)	(37,827)
282-2	(24,866)	(24,866)	(24,866)	(24,866)	(24,866)	(24,866)	(24,866)	(24,866)	(24,866)	(24,866)	(24,866)	(24,866)	0	(22,788)
283-14	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	(40,467)	0	(37,354)
283-256	216,806	216,806	216,806	216,806	216,806	216,806	216,806	216,806	216,806	216,806	216,806	216,806	216,806	216,806
subtotal 109 accounts	112,806	112,806	112,806	112,806	112,806	112,806	112,806	112,806	112,806	112,806	112,806	112,806	181,875	118,129
total	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,372,484)	(1,364,620)	(1,371,871)
109 REGULATORY ASSETS / LIABILITIES														
1866-2	123,104	123,104	123,104	123,104	123,104	123,104	123,104	123,104	123,104	123,104	123,104	123,104	88,004	120,404
253-2	(80,473)	(80,473)	(80,473)	(80,473)	(80,473)	(80,473)	(80,473)	(80,473)	(80,473)	(80,473)	(80,473)	(80,473)	(80,473)	(80,473)
253-256	(216,806)	(216,806)	(216,806)	(216,806)	(216,806)	(216,806)	(216,806)	(216,806)	(216,806)	(216,806)	(216,806)	(216,806)	(216,806)	(216,806)
1143	40,467	40,467	40,467	40,467	40,467	40,467	40,467	164,880	164,880	164,880	164,880	164,880	0	81,248
subtotal 109 accounts	(112,808)	(112,808)	(112,808)	(112,808)	(112,808)	(112,808)	(112,808)	1,315	1,315	1,315	1,315	1,315	(188,375)	(74,727)
13 MONTH AVG TCR	0	0	0	0	0	0	0	0	0	0	0	0	0	0

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 12
GEOFFROY/WILLIAMS DEPOSITION

QUESTION: Page 240 MFR line 17 $465,899, issuing expense. Should this be subtracted instead of added and the 7.52% calculated correctly? Confirm all issuing expense, and unamortized premium, discount, and issuance cost.

ANSWER: There is no premium or discount associated with this debt. The issuing expense is correct as shown on Schedule G-3, page 3 of 11, Bates stamped page 240. The issuing expense of $465,899 should be deducted from Line 16 to produce a net debt amount of $30,597,919, and a cost rate of Long Term Debt of 7.75%.

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE-FILED DEPOSITION EXHIBIT NO. 13
GEOFFROY/WILLIAMS DEPOSITION

13-MONTH AVERAGE PROPANE CAPITAL INVESTMENT FOR THE PROJECTED TEST YEAR

QUESTION: Provide a 13 month average for the Projected Test Year for propane capital investment. Show the amounts in Treasure Coast Propane vs the Citrus County and Winter Haven investment.

ANSWER: See Attachment -13A

ATTACHMENT-13A

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU

LATE FILED DEPOSITION EXHIBIT NO. 13
GEOFFROY/WILLIAMS DEPOSITION

PROPANE PLANT

	2000 DEC	2001 JAN	2001 FEB	2001 MAR	2001 APR	2001 MAY	2001 JUN	2001 JUL	2001 AUG	2001 SEP	2001 OCT	2001 NOV	2001 DEC	13 MONTH AVERAGE
WH & CITRUS CO.	$138,662	$161,579	$184,496	$207,413	$230,330	$253,247	$276,164	$334,081	$356,998	$379,915	$402,832	$425,749	$448,573	$292,311
TREASURE COAST	$35,890	$53,908	$67,836	$81,764	$110,692	$124,620	$138,548	$152,476	$166,404	$180,332	$194,260	$208,188	$417,116	$148,618
TOTAL	$174,552	$215,487	$252,332	$289,177	$341,022	$377,867	$414,712	$486,557	$523,402	$560,247	$597,092	$633,937	$865,689	$440,929

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Composite Exhibit No. PRM-3

FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION

Docket No. 000108-GU

Financial Exhibits

to Accompany

the Rebuttal Testimony

of

Paul R. Moul, Managing Consultant
P. Moul & Associates, Inc.

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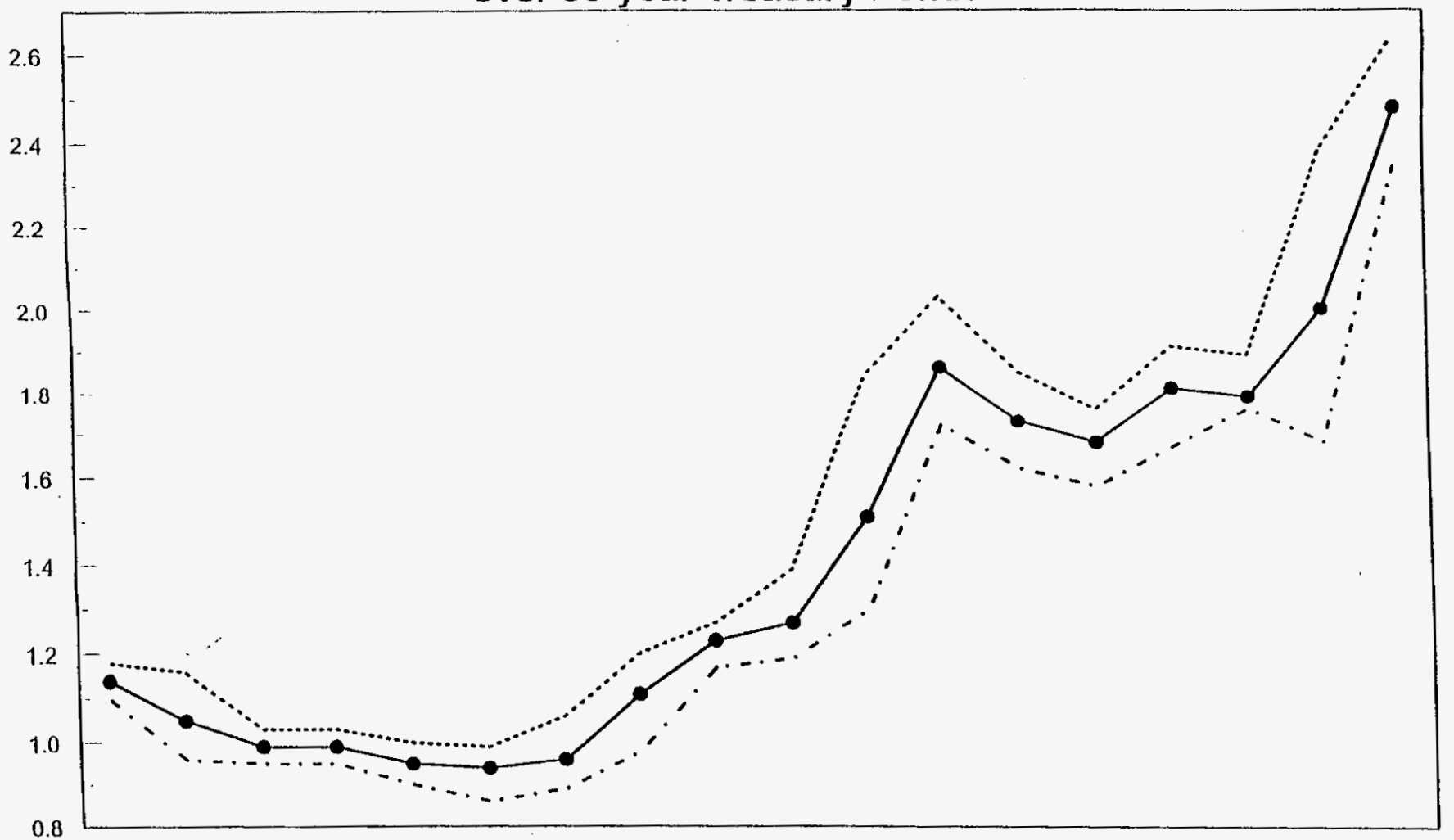
Interest Rate Trends for Investor-Owned Public Utility Bonds
Yearly for 1995-1999
and the Twelve Months Ended July 2000

Years	Aaa Rated	Aa Rated	A Rated	Baa Rated	Average
1995	7.68%	7.77%	7.89%	8.29%	7.91%
1996	7.49%	7.57%	7.75%	8.17%	7.75%
1997	7.42%	7.54%	7.60%	7.95%	7.63%
1998	6.77%	6.91%	7.04%	7.26%	7.00%
1999	7.21%	7.50%	7.62%	7.88%	7.55%
Five-Year Average	7.31%	7.46%	7.58%	7.91%	7.57%
Months					
August 1999	7.54%	7.82%	7.91%	8.16%	7.86%
September 1999	7.55%	7.80%	7.93%	8.19%	7.87%
October 1999	7.73%	7.96%	8.06%	8.32%	8.02%
November 1999	7.56%	7.82%	7.94%	8.12%	7.86%
December 1999	7.74%	8.00%	8.14%	8.28%	8.04%
January 2000	7.95%	8.17%	8.35%	8.40%	8.22%
February 2000	7.82%	7.99%	8.25%	8.33%	8.10%
March 2000	7.87%	7.99%	8.28%	8.40%	8.14%
April 2000	7.87%	8.00%	8.29%	8.40%	8.14%
May 2000	8.22%	8.44%	8.70%	8.86%	8.55%
June 2000	7.96%	8.10%	8.36%	8.47%	8.22%
July 2000	8.00%	8.10%	8.25%	8.33%	8.17%
Twelve-Month Average	7.82%	8.02%	8.21%	8.36%	8.10%
Six-Month Average	7.96%	8.10%	8.36%	8.47%	8.22%
Three-Month Average	8.06%	8.21%	8.44%	8.55%	8.31%

urce of Information: Moody's Investors Services, Inc.
(Public Utiltiy Manuals and Bond Surveys)

Interest Rate Spreads
A-rated Public Utility Bonds
over 30-year Treasury Bonds

Percentage Points



	Mar-96	Jun-96	Sep-96	Dec-96	Mar-97	Jun-97	Sep-97	Dec-97	Mar-98	Jun-98	Sep-98	Dec-98	Mar-99	Jun-99	Sep-99	Dec-99	Mar-00	Jun-00
High ···	1.18	1.16	1.03	1.03	1.00	0.99	1.06	1.20	1.27	1.39	1.84	2.03	1.85	1.76	1.91	1.89	2.38	2.64
Avg ●	1.14	1.05	0.99	0.99	0.95	0.94	0.96	1.11	1.23	1.27	1.51	1.86	1.73	1.68	1.81	1.79	2.00	2.48
Low -	1.10	0.96	0.95	0.95	0.90	0.86	0.89	0.98	1.17	1.19	1.30	1.72	1.62	1.58	1.67	1.76	1.68	2.35

Spreads are calculated daily, with the average covering an entire quarter

Schedule 2

Chesapeake Utilities Corporation
Index of Natural Gas Distribution
Discounted Cas Flow Model

										JULY		
				VALUE LINE ISSUE: Ed. 3, 06/23/2000								
	COMPANY	DIV0	DIV1	DIV2	DIV3	DIV4	EPS4	ROE4	GR1-4	GR4+	HI-PR	LO-PR	VER-PR
1	AGL RESOURCES	1.08	1.08	1.10	1.13	1.15	1.75	12.50	1.0212	1.0429	18.188	16.063	17.125

										JULY		
				VALUE LINE ISSUE: Ed. 3, 06/23/2000								
	COMPANY	DIV0	DIV1	DIV2	DIV3	DIV4	EPS4	ROE4	GR1-4	GR4+	HI-PR	LO-PR	VER-PR
1	AGL RESOURCES	1.08	1.08	1.10	1.13	1.15	1.75	12.50	1.0212	1.0429	18.188	16.063	17.125
2	ATMOS ENERGY	1.14	1.18	1.23	1.29	1.35	2.40	14.50	1.0459	1.0634	20.625	17.750	19.188
3	CASCADE NATURAL GAS	0.96	0.97	0.98	0.99	1.00	1.80	14.00	1.0102	1.0622	17.063	15.813	16.438
4	ENERGEN CORP.	0.67	0.70	0.73	0.77	0.80	2.00	11.50	1.0455	1.0690	24.500	21.000	22.750
5	LACLEDE GAS	1.36	1.40	1.43	1.47	1.50	2.50	14.00	1.0233	1.0560	20.125	19.188	19.656
6	NICOR INC.	1.62	1.70	1.79	1.89	2.00	4.00	18.00	1.0557	1.0900	35.500	32.125	33.813
7	NEW JERSEY RESOURCES	1.72	1.76	1.80	1.84	1.88	3.60	15.50	1.0222	1.0741	40.688	37.625	39.156
8	NORTHWEST NAT. GAS	1.24	1.25	1.27	1.28	1.30	2.30	11.00	1.0132	1.0478	24.000	21.625	22.813
9	PEOPLES ENERGY	2.00	2.04	2.08	2.11	2.15	3.60	12.00	1.0177	1.0483	33.500	31.250	32.375
10	PIEDMONT NATURAL GAS	1.44	1.50	1.55	1.61	1.67	2.80	12.50	1.0364	1.0504	29.125	26.875	28.000
11	SOUTH JERSEY INDS.	1.46	1.47	1.50	1.52	1.55	2.65	11.50	1.0178	1.0477	27.563	26.063	26.813
12	WASHINGTON GAS LIGHT	1.24	1.26	1.31	1.35	1.40	2.50	13.00	1.0357	1.0572	25.500	23.938	24.719
	AVERAGE	1.3275	1.3592	1.3978	1.4378	1.4792 1.5666	2.6583	13.3333	1.0287	1.0591			25.2370

					COST OF EQUITY	
					Annual	10.97%
24.47987				0.104182		
24.47987	1.2293	1.1363	1.053127	0.976223	0.916321	19.1686

Source:
S&P STOCK GUIDE: August 2000 with July Stock Prices
Value Line Ed. - 3, June 23, 2000

Schedule 3

Chesapeake Utilities Corporation
Index of Natural Gas Distribution
Discounted Cas Flow Model

					VALUE LINE ISSUE: Ed. 3, 06/23/2000					JULY		
	COMPANY	DIV0	DIV1	DIV2	DIV3	DIV4	EPS4	ROE4	GR1-4	GR4+	HI-PR	LO-PR	VER-PR
1	AGL RESOURCES	1.08	1.08	1.10	1.13	1.15	1.75	12.50	1.0212	1.0429	18.188	16.063	17.125

					VALUE LINE ISSUE: Ed. 3, 06/23/2000					JULY		
	COMPANY	DIV0	DIV1	DIV2	DIV3	DIV4	EPS4	ROE4	GR1-4	GR4+	HI-PR	LO-PR	VER-PR
1	AGL RESOURCES	1.08	1.08	1.10	1.13	1.15	1.75	12.50	1.0212	1.0429	18.188	16.063	17.125
2	ATMOS ENERGY	1.14	1.18	1.23	1.29	1.35	2.40	14.50	1.0459	1.0634	20.625	17.750	19.188
3	CTG RESOURCES	1.04	1.08	1.12	1.16	1.20	2.45	12.50	1.0357	1.0638	37.688	36.000	36.844
4	CASCADE NATURAL GAS	0.96	0.97	0.98	0.99	1.00	1.80	14.00	1.0102	1.0622	17.063	15.813	16.438
5	ENERGEN CORP.	0.67	0.70	0.73	0.77	0.80	2.00	11.50	1.0455	1.0690	24.500	21.000	22.750
6	LACLEDE GAS	1.36	1.40	1.43	1.47	1.50	2.50	14.00	1.0233	1.0560	20.125	19.188	19.656
7	NICOR INC.	1.62	1.70	1.79	1.89	2.00	4.00	18.00	1.0557	1.0900	35.500	32.125	33.813
8	NEW JERSEY RESOURCES	1.72	1.76	1.80	1.84	1.88	3.60	15.50	1.0222	1.0741	40.688	37.625	39.156
9	NORTHWEST NAT. GAS	1.24	1.25	1.27	1.28	1.30	2.30	11.00	1.0132	1.0478	24.000	21.625	22.813
10	PEOPLES ENERGY	2.00	2.04	2.08	2.11	2.15	3.60	12.00	1.0177	1.0483	33.500	31.250	32.375
11	PIEDMONT NATURAL GAS	1.44	1.50	1.55	1.61	1.67	2.80	12.50	1.0364	1.0504	29.125	26.875	28.000
12	PROVIDENCE ENERGY	1.08	1.08	1.19	1.31	1.45	2.10	10.50	1.1032	1.0325	42.250	40.750	41.500
13	SOUTH JERSEY INDS.	1.46	1.47	1.50	1.52	1.55	2.65	11.50	1.0178	1.0477	27.563	26.063	26.813
14	SOUTHWEST GAS	0.82	0.82	0.85	0.89	0.92	1.70	9.00	1.0391	1.0413	18.563	16.875	17.719
15	WASHINGTON GAS LIGHT	1.24	1.26	1.31	1.35	1.40	2.50	13.00	1.0357	1.0572	25.500	23.938	24.719
	AVERAGE	1.2580	1.2860	1.3290	1.3741	1.4213 1.5016	2.5433	12.8000 13.15106	1.0349	1.0564 1.0580			26.5938

COST OF EQUITY

Annual 10.42%

25.79594

25.79594	1.16905	1.087349	1.017924	0.953349	0.901197	20.66707	

Source:
S&P STOCK GUIDE: August 2000 with July Stock Prices
Value Line Ed. - 3, June 23, 2000

Schedule 4

Chesapeake Utilities Corporation
Index of Natural Gas Distribution
Discounted Cas Flow Model

				VALUE LINE ISSUE: Ed. 3, 06/23/2000						JULY		
COMPANY	DIV0	DIV1	DIV2	DIV3	DIV4	EPS4	ROE4	GR1-4	GR4+	HI-PR	LO-PR	VER-PR
1 AGL RESOURCES	1.08	1.08	1.10	1.13	1.15	1.75	12.50	1.0212	1.0429	18.188	16.063	17.125

				VALUE LINE ISSUE: Ed. 3, 06/23/2000						JULY		
COMPANY	DIV0	DIV1	DIV2	DIV3	DIV4	EPS4	ROE4	GR1-4	GR4+	HI-PR	LO-PR	VER-PR
1 AGL RESOURCES	1.08	1.08	1.10	1.13	1.15	1.75	12.50	1.0212	1.0429	18.188	16.063	17.125
2 ATMOS ENERGY	1.14	1.18	1.23	1.29	1.35	2.40	14.50	1.0459	1.0634	20.625	17.750	19.188
3 CASCADE NATURAL GAS	0.96	0.97	0.98	0.99	1.00	1.80	14.00	1.0102	1.0622	17.063	15.813	16.438
4 ENERGEN CORP.	0.67	0.70	0.73	0.77	0.80	2.00	11.50	1.0455	1.0690	24.500	21.000	22.750
5 LACLEDE GAS	1.36	1.40	1.43	1.47	1.50	2.50	14.00	1.0233	1.0560	20.125	19.188	19.656
6 NICOR INC.	1.62	1.70	1.79	1.89	2.00	4.00	18.00	1.0557	1.0900	35.500	32.125	33.813
7 NEW JERSEY RESOURCES	1.72	1.76	1.80	1.84	1.88	3.60	15.50	1.0222	1.0741	40.688	37.625	39.156
8 NORTHWEST NAT. GAS	1.24	1.25	1.27	1.28	1.30	2.30	11.00	1.0132	1.0478	24.000	21.625	22.813
9 PEOPLES ENERGY	2.00	2.04	2.08	2.11	2.15	3.60	12.00	1.0177	1.0483	33.500	31.250	32.375
10 PIEDMONT NATURAL GAS	1.44	1.50	1.55	1.61	1.67	2.80	12.50	1.0364	1.0504	29.125	26.875	28.000
11 SOUTH JERSEY INDS.	1.46	1.47	1.50	1.52	1.55	2.65	11.50	1.0178	1.0477	27.563	26.063	26.813
12 WASHINGTON GAS LIGHT	1.24	1.26	1.31	1.35	1.40	2.50	13.00	1.0357	1.0572	25.500	23.938	24.719
AVERAGE	1.3275	1.3592	1.3978	1.4378	1.4792 1.5666	2.6583	13.3333 13.69902	1.0287	1.0591 1.0608			25.2370

COST OF EQUITY

Annual 11.11%

24.47987

24.47987 1.22799 1.133679 1.049377 0.971523 0.910763 19.18653

Source:
S&P STOCK GUIDE: August 2000 with July Stock Prices
Value Line Ed. - 3, June 23, 2000

Schedule 5

Chesapeake Utilities Corporation

Index of Natural Gas Distribution

Growth Rates

	COMPANY	IBES	Zacks	First Call	Value Line	Average Earnings	Long-term GDP	Long-term Corp. Profits	Weighted Average Growth with GDP	Weighted Average Growth with Corp. Profits
1	AGL RESOURCES	6.00%	5.80%	5.50%	6.00%	5.83%	5.20%	5.60%	5.62%	5.75%
2	ATMOS ENERGY	7.00%	6.80%	7.00%	10.50%	7.83%	5.20%	5.60%	6.95%	7.09%
3	CTG RESOURCES	6.00%	5.50%		6.60%	6.03%	5.20%	5.60%	5.75%	5.89%
4	CASCADE NATURAL GAS	4.00%	5.30%	4.00%	10.50%	5.95%	5.20%	5.60%	5.70%	5.83%
5	ENERGEN CORP.	8.00%	12.40%	15.00%	8.50%	10.98%	5.20%	5.60%	9.05%	9.19%
6	LACLEDE GAS	4.00%	3.50%	4.00%	7.50%	4.75%	5.20%	5.60%	4.90%	5.03%
7	NICOR INC.	6.00%	6.10%	6.50%	8.50%	6.78%	5.20%	5.60%	6.25%	6.39%
8	NEW JERSEY RESOURCE	6.00%	6.40%	7.00%	7.50%	6.73%	5.20%	5.60%	6.22%	6.35%
9	NORTHWEST NAT. GAS	5.00%	4.40%	4.00%	7.50%	5.23%	5.20%	5.60%	5.22%	5.35%
10	PEOPLES ENERGY	6.00%	5.40%	6.00%	6.50%	5.98%	5.20%	5.60%	5.72%	5.85%
11	PIEDMONT NATURAL GAS	6.00%	6.30%	6.50%	7.00%	6.45%	5.20%	5.60%	6.03%	6.17%
12	PROVIDENCE ENERGY	7.00%	4.00%	5.00%	8.50%	6.13%	5.20%	5.60%	5.82%	5.95%
13	SOUTH JERSEY INDS.	5.00%	5.30%	5.00%	8.00%	5.83%	5.20%	5.60%	5.62%	5.75%
14	SOUTHWEST GAS	5.00%	4.80%	5.00%	5.50%	5.08%	5.20%	5.60%	5.12%	5.25%
15	WASHINGTON GAS LIGHT	5.00%	5.80%	5.00%	7.50%	5.83%	5.20%	5.60%	5.62%	5.75%
	AVERAGE					6.36%			5.97%	6.11%

Schedule 6

Chesapeake Utilities Corporation
Index of Natural Gas Distribution
Dividend Yield Calculations

	COMPANY	DIV0	JULY HI-PR	JULY LO-PR	JULY AVER-PR	Average Dividend Yield
1	AGL RESOURCES	$1.08	$18.19	$16.06	$17.13	6.31%
2	ATMOS ENERGY	$1.14	$20.63	$17.75	$19.19	5.94%
3	CTG RESOURCES	$1.04	$37.69	$36.00	$36.84	2.82%
4	CASCADE NATURAL GAS	$0.96	$17.06	$15.81	$16.44	5.84%
5	ENERGEN CORP.	$0.67	$24.50	$21.00	$22.75	2.95%
6	LACLEDE GAS	$1.36	$20.13	$19.19	$19.66	6.92%
7	NICOR INC.	$1.62	$35.50	$32.13	$33.81	4.79%
8	NEW JERSEY RESOURC	$1.72	$40.69	$37.63	$39.16	4.39%
9	NORTHWEST NAT. GAS	$1.24	$24.00	$21.63	$22.81	5.44%
10	PEOPLES ENERGY	$2.00	$33.50	$31.25	$32.38	6.18%
11	PIEDMONT NATURAL GA	$1.44	$29.13	$26.88	$28.00	5.14%
12	PROVIDENCE ENERGY	$1.08	$42.25	$40.75	$41.50	2.60%
13	SOUTH JERSEY INDS.	$1.46	$27.56	$26.06	$26.81	5.45%
14	SOUTHWEST GAS	$0.82	$18.56	$16.88	$17.72	4.63%
15	WASHINGTON GAS LIGHT	$1.24	$25.50	$23.94	$24.72	5.02%
	AVERAGE					4.96%

Source:
S&P STOCK GUIDE: August 2000 with July Stock Prices
Value Line Ed. - 3, June 23, 2000

Schedule 7

Chesapeake Utilities Corporation

Index of Natural Gas Distribution

Return on Common Equity Calculation

	COMPANY	Dividend Yield (D/P)		1+0.5 (g)		Adjusted Dividend Yield (D1/P)		Growth Rate (g)		Cost of Equity (K)
1	AGL RESOURCES	6.31%	×	1.02810	=	6.49%	+	5.62%	=	12.11%
2	ATMOS ENERGY	5.94%	×	1.03475	=	6.15%	+	6.95%	=	13.10%
3	CTG RESOURCES	2.82%	×	1.02875	=	2.90%	+	5.75%	=	8.65%
4	CASCADE NATURAL GAS	5.84%	×	1.02850	=	6.01%	+	5.70%	=	11.71%
5	ENERGEN CORP.	2.95%	×	1.04525	=	3.08%	+	9.05%	=	12.13%
6	LACLEDE GAS	6.92%	×	1.02450	=	7.09%	+	4.90%	=	11.99%
7	NICOR INC.	4.79%	×	1.03125	=	4.94%	+	6.25%	=	11.19%
8	NEW JERSEY RESOURCE	4.39%	×	1.03110	=	4.53%	+	6.22%	=	10.75%
9	NORTHWEST NAT. GAS	5.44%	×	1.02610	=	5.58%	+	5.22%	=	10.80%
10	PEOPLES ENERGY	6.18%	×	1.02860	=	6.36%	+	5.72%	=	12.08%
11	PIEDMONT NATURAL GA	5.14%	×	1.03015	=	5.29%	+	6.03%	=	11.32%
12	PROVIDENCE ENERGY	2.60%	×	1.02910	=	2.68%	+	5.82%	=	8.50%
13	SOUTH JERSEY INDS.	5.45%	×	1.02810	=	5.60%	+	5.62%	=	11.22%
14	SOUTHWEST GAS	4.63%	×	1.02560	=	4.75%	+	5.12%	=	9.87%
15	WASHINGTON GAS LIGH	5.02%	×	1.02810	=	5.16%	+	5.62%	=	10.78%
								Average		11.01%

AVERAGE

Chesapeake Utilities Corporation

Index of Natural Gas Distribution

Return on Common Equity Calculation

	COMPANY	Dividend Yield (D/P)		1+0.5 (g)		Adjusted Dividend Yield (D1/P)		Growth Rate (g)		Cost of Equity (K)
1	AGL RESOURCES	6.31%	×	1.02875	=	6.49%	+	5.75%	=	12.24%
2	ATMOS ENERGY	5.94%	×	1.03545	=	6.15%	+	7.09%	=	13.24%
3	CTG RESOURCES	2.82%	×	1.02945	=	2.90%	+	5.89%	=	8.79%
4	CASCADE NATURAL GAS	5.84%	×	1.02915	=	6.01%	+	5.83%	=	11.84%
5	ENERGEN CORP.	2.95%	×	1.04595	=	3.09%	+	9.19%	=	12.28%
6	LACLEDE GAS	6.92%	×	1.02515	=	7.09%	+	5.03%	=	12.12%
7	NICOR INC.	4.79%	×	1.03195	=	4.94%	+	6.39%	=	11.33%
8	NEW JERSEY RESOURCE	4.39%	×	1.03175	=	4.53%	+	6.35%	=	10.88%
9	NORTHWEST NAT. GAS	5.44%	×	1.02675	=	5.59%	+	5.35%	=	10.94%
10	PEOPLES ENERGY	6.18%	×	1.02925	=	6.36%	+	5.85%	=	12.21%
11	PIEDMONT NATURAL GA	5.14%	×	1.03085	=	5.30%	+	6.17%	=	11.47%
12	PROVIDENCE ENERGY	2.60%	×	1.02975	=	2.68%	+	5.95%	=	8.63%
13	SOUTH JERSEY INDS.	5.45%	×	1.02875	=	5.61%	+	5.75%	=	11.36%
14	SOUTHWEST GAS	4.63%	×	1.02625	=	4.75%	+	5.25%	=	10.00%
15	WASHINGTON GAS LIGH	5.02%	×	1.02875	=	5.16%	+	5.75%	=	10.91%
								Average		11.14%

AVERAGE

Chesapeake Utilities Corporation

Index of Natural Gas Distribution

Return on Common Equity Calculation

	COMPANY	Dividend Yield (D/P)	×	1+0.5 (g)	=	Adjusted Dividend Yield (D1/P)	+	Growth Rate (g)	=	Cost of Equity (K)
1	AGL RESOURCES	6.31%	×	1.02810	=	6.49%	+	5.62%	=	12.11%
2	ATMOS ENERGY	5.94%	×	1.03475	=	6.15%	+	6.95%	=	13.10%
3	CASCADE NATURAL GAS	5.84%	×	1.02850	=	6.01%	+	5.70%	=	11.71%
4	ENERGEN CORP.	2.95%	×	1.04525	=	3.08%	+	9.05%	=	12.13%
5	LACLEDE GAS	6.92%	×	1.02450	=	7.09%	+	4.90%	=	11.99%
6	NICOR INC.	4.79%	×	1.03125	=	4.94%	+	6.25%	=	11.19%
7	NEW JERSEY RESOURCE	4.39%	×	1.03110	=	4.53%	+	6.22%	=	10.75%
8	NORTHWEST NAT. GAS	5.44%	×	1.02610	=	5.58%	+	5.22%	=	10.80%
9	PEOPLES ENERGY	6.18%	×	1.02860	=	6.36%	+	5.72%	=	12.08%
10	PIEDMONT NATURAL GA	5.14%	×	1.03015	=	5.29%	+	6.03%	=	11.32%
11	SOUTH JERSEY INDS.	5.45%	×	1.02810	=	5.60%	+	5.62%	=	11.22%
12	WASHINGTON GAS LIGH	5.02%	×	1.02810	=	5.16%	+	5.62%	=	10.78%
								Average		11.55%

Chesapeake Utilities Corporation
Index of Natural Gas Distribution
Return on Common Equity Calculation

	COMPANY	Dividend Yield (D/P)	×	1+0.5 (g)	=	Adjusted Dividend Yield (D1/P)	+	Growth Rate (g)	=	Cost of Equity (K)
1	AGL RESOURCES	6.31%	×	1.02875	=	6.49%	+	5.75%	=	12.24%
2	ATMOS ENERGY	5.94%	×	1.03545	=	6.15%	+	7.09%	=	13.24%
3	CASCADE NATURAL GAS	5.84%	×	1.02915	=	6.01%	+	5.83%	=	11.84%
4	ENERGEN CORP.	2.95%	×	1.04595	=	3.09%	+	9.19%	=	12.28%
5	LACLEDE GAS	6.92%	×	1.02515	=	7.09%	+	5.03%	=	12.12%
6	NICOR INC.	4.79%	×	1.03195	=	4.94%	+	6.39%	=	11.33%
7	NEW JERSEY RESOURCES	4.39%	×	1.03175	=	4.53%	+	6.35%	=	10.88%
8	NORTHWEST NAT. GAS	5.44%	×	1.02675	=	5.59%	+	5.35%	=	10.94%
9	PEOPLES ENERGY	6.18%	×	1.02925	=	6.36%	+	5.85%	=	12.21%
10	PIEDMONT NATURAL GAS	5.14%	×	1.03085	=	5.30%	+	6.17%	=	11.47%
11	SOUTH JERSEY INDS.	5.45%	×	1.02875	=	5.61%	+	5.75%	=	11.36%
12	WASHINGTON GAS LIGHT	5.02%	×	1.02875	=	5.16%	+	5.75%	=	10.91%
								Average		11.69%

THE VALUE LINE Investment Survey®

Part 1 Summary & Index

File at the front of the *Ratings & Reports* binder. Last week's *Summary & Index* should be removed.

September 1, 2000

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SCREENS

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The Median of Estimated **PRICE-EARNINGS RATIOS** of all stocks with earnings

14.1

26 Weeks Ago	Market Low 10-28-87	Market High 4-22-98
13.4	10.6	19.7

The Median of Estimated **DIVIDEND YIELDS** (next 12 months) of all dividend paying stocks under review

2.2%

26 Weeks Ago	Market Low 10-28-87	Market High 4-22-98
2.4%	3.7%	1.6%

The Estimated Median Price **APPRECIATION POTENTIAL** of all 1700 stocks in the hypothesized economic environment 3 to 5 years hence

80%

26 Weeks Ago	Market Low 10-28-87	Market High 4-22-98
90%	120%	35%

ANALYSES OF INDUSTRIES IN ALPHABETICAL ORDER WITH PAGE NUMBER

Numeral in parenthesis after the industry is rank for probable performance (next 12 months).

	PAGE		PAGE		PAGE		PAGE
Advertising (6)	1903	Electrical Equipment (34)	1001	Investment Co.(Foreign) (49)	374	Retail Store (81)	1650
Aerospace/Defense (29)	551	Electric Util. (Central) (59)	701	Machinery (44)	1301	Securities Brokerage (10)	1401
Air Transport (51)	261	Electric Utility (East) (75)	156	Manuf. Housing/Rec Veh (90)	1547	Semiconductor (2)	1432
Apparel (52)	1621	Electric Utility (West) (53)	1746	Maritime (30)	294	Semiconductor Cap Equip (1)	1432
Auto & Truck (72)	101	Electronics (3)	1019	Medical Services (8)	635	Shoe (13)	1670
Auto Parts (OEM) (66)	812	Entertainment (56)	1841	Medical Supplies (18)	186	Steel (General) (88)	579
Auto Parts (Replacement) (92)	111	Environmental (16)	367	Metal Fabricating (50)	567	Steel (Integrated) (83)	1388
*Bank (69)	2101	*Financial Svcs. (Div.) (20)	2131	Metals & Mining (Div.) (63)	1219	Telecom. Equipment (15)	768
Bank (Canadian) (32)	1568	Food Processing (65)	1461	Natural Gas (Distrib.) (77)	462	Telecom. Services (61)	730
Bank (Midwest) (67)	618	Food Wholesalers (17)	1522	Natural Gas(Diversified) (12)	441	Textile (78)	1637
Beverage (Alcoholic) (25)	1528	Foreign Electron/Entertn (37)	1555	Newspaper (70)	1887	Thrift (42)	1161
Beverage (Soft Drink) (68)	1537	Foreign Telecom. (35)	791	Office Equip & Supplies (89)	1131	Tire & Rubber (79)	117
Building Materials (84)	851	Furn./Home Furnishings (48)	899	Oilfield Services/Equip. (19)	1923	Tobacco (86)	1575
Cable TV (74)	838	Gold/Silver Mining (40)	1209	Packaging & Container (85)	935	Toiletries/Cosmetics (64)	829
Canadian Energy (11)	427	Grocery (76)	1508	Paper & Forest Products (67)	911	Trucking/Transp. Leasing (46)	274
Cement & Aggregates (45)	891	Healthcare Information (80)	668	Petroleum (Integrated) (27)	401	Water Utility (91)	1394
Chemical (Basic) (58)	1230	Home Appliance (73)	123	Petroleum (Producing) (4)	1910	Wireless Networking (7)	523
Chemical (Diversified) (36)	1945	Homebuilding (26)	867	Precision Instrument (28)	130		
Chemical (Specialty) (71)	485	Hotel/Gaming (9)	1857	Publishing (57)	1873		
Computer & Peripherals (23)	1094	Household Products (60)	949	Railroad (31)	300		
*Computer Software & Svcs (24)	2169	Industrial Services (41)		R.E.I.T. (39)	1180		
Diversified Co. (47)	1349	Insurance (Life) (38)	1196	Recreation (62)	1821		
Drug (14)	1239	Insurance(Prop/Casualty) (82)	590	Restaurant (43)	309		
Drugstore (21)	807	*Internet (33)	2219	Retail Building Supply (54)	883		
Educational Services (5)	1582	Investment Co. (55)	967	Retail (Special Lines) (22)	1680		

*Reviewed in this week's edition.

In three parts: This is Part 1, the Summary & Index. Part 2 is Selection & Opinion. Part 3 is Ratings & Reports. Volume LV, No. 52.

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FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 000108-EI EXHIBIT NO. 11
COMPANY/ WITNESS: Chesapeake
DATE: 10-18-00

COMPARATIVE AVERAGE RATE BASES

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU
PTY 12/31/01

ATTACHMENT 1
16-Oct-2000

ISSUE NO.		TOTAL PER BOOKS	COMPANY ADJS.	COMPANY ADJUSTED	STAFF ADJS.	STAFF ADJUSTED
			COMPANY		STAFF	
	PLANT IN SERVICE					
	UTILITY PLANT	31,980,292				
7	Sales tax on Mains & Meters (376 & 381)				(2,899)	
8	Remove 2nd story office building (390)		(23,702)		(82,805)	
	Total Plant-In-Service	31,980,292	(23,702)	31,956,590	(85,704)	31,870,886
9	COMMON PLANT ALLOCATED	0	(108,135)	(108,135)	(202,851)	(310,986)
	ACQUISITION ADJUSTMENT	632,831	(632,831)			
	Total Acquisition Adjustment	632,831	(632,831)	0	0	0
	PLANT HELD FOR FUTURE USE	0				
	Total Plant Held For Future Use	0	0	0	0	0
	CONSTRUCTION WORK IN PROGRESS	1,822,064	(1,822,064)			
	Total Construction Work In Progress	1,822,064	(1,822,064)	0	0	0
	TOTAL PLANT	34,435,187	(2,586,732)	31,848,455	(288,555)	31,559,900
	DEDUCTIONS					
	ACCUM. DEPR.- PLANT IN SERVICE	10,686,984				
	Remove franchise/consent		(5,926)		0	
8	Remove 2nd story office building		(8,593)		(22,166)	
	Total Accum. Depr.- Plant In Service	10,686,984	(14,519)	10,672,465	(22,166)	10,650,299
9	ACCUM DEPR. - COMMON PLANT	0	(60,282)	(60,282)	(98,203)	(158,485)
	ACCUM. DEPR. - ACQUISITION ADJ.	632,831	(632,831)			
	Total Accum. Depr. - Acquisition Adj.	632,831	(632,831)	0	0	0
	CUSTOMER ADVANCES FOR CONSTR.	267,828	0	267,828	0	267,828
	TOTAL DEDUCTIONS	11,587,643	(707,632)	10,880,011	(120,369)	10,759,642
	NET UTILITY PLANT	22,847,544	(1,879,100)	20,968,444	(168,186)	20,800,258
	WORKING CAPITAL ALLOWANCE	(10,662,111)	11,015,367	353,256	(65,203)	288,053
	TOTAL RATE BASE	12,185,433	9,136,267	21,321,700	(233,389)	21,088,311

COMPARATIVE WORKING CAPITAL COMPONENTS

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU
PTY 12/31/01

ATTACHMENT 1A
16-Oct-2000

ISSUE NO.		COMPANY AS FILED TOTAL PER BOOKS	COMPANY ADJS.	COMPANY ADJUSTED	STAFF ADJS.	STAFF ADJUSTED
	WORKING CAPITAL	(10,662,111)				
16	Accounts receivable - service		(107,396)		1,982	
	Accounts receivable - misc.		(470,142)		0	
	Receivable assoc. companies		8,705,661		0	
15	Materials & supplies		0		(58,688)	
	Misc. deferred debits		(120,404)		0	
	Customer deposits		789,257		0	
25	Interest accrued		(99,611)		(18,802)	
17	Misc. current liabilities		525,478		10,305	
	Customer advances for construction		267,828		0	
	Accum. deferred income taxes		1,392,213		0	
	Deferred ITCs		306,978		0	
	Health insurance reserve		(44,290)		0	
	Self insurance reserve		(130,205)		0	
	TOTALS	(10,662,111)	11,015,367	353,256	(65,203)	288,053

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU
PROJECTED TEST YEAR ENDING DECEMBER 31, 2001

ATTACHMENT 2
16-Oct-2000

	COMPANY PER BOOKS	COMPANY SPECIFIC ADJ.	COMPANY BALANCE	SPECIFIC STAFF ADJ.	BALANCE	STAFF NON-UTILITY ADJ.	BALANCE	PRO RATA	BALANCE	RATIO	COST RATES	WEIGHTED COST
COMMON EQUITY	11,822,978	(1,533,682)	10,289,296	(85,428)	10,203,868	(132,212)	10,071,656	(131,742)	9,939,914	47.13%	11.50%	5.42%
LONG TERM DEBT	0	6,377,973	6,377,973	(52,954)	6,325,019	99,240	6,424,259	(84,032)	6,340,227	30.07%	7.75%	2.33%
SHORT TERM DEBT		2,119,103	2,119,103	(17,594)	2,101,509	32,973	2,134,482	(27,920)	2,106,562	9.99%	6.03%	0.60%
USTOMER DEPOSITS	789,257	0	789,257		789,257		789,257	0	789,257	3.74%	6.44%	0.24%
DEFERRED TAXES	1,392,213		1,392,213	155,975	1,548,188		1,548,188	0	1,548,188	7.34%	0.00%	0.00%
FLEX RATE LIABILITY	0	46,880	46,880	10,305	57,185		57,185	0	57,185	0.27%	5.16%	0.01%
TAX CREDIT	306,978	0	306,978		306,978		306,978	0	306,978	1.46%	0.00%	0.00%
TOTAL	14,311,426	7,010,274	21,321,700	10,305	21,332,005	(0)	21,332,005	(243,694)	21,088,311	100.00%		8.60%
								EQUITY RATIO	54.06%			

COMPARATIVE NOIs

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU
PTY 12/31/01

ATTACHMENT 3
Page 1 of 2

16-Oct-2000

ISSUE NO.		TOTAL PER BOOKS	COMPANY ADJS.	COMPANY ADJUSTED	STAFF ADJS.	STAFF ADJUSTED
			COMPANY		STAFF	
	OPERATING REVENUES	13,481,994				
36	Remove PGA revenues		0		(5,790,925)	
38	Interest on cash		0		20,000	
	TOTAL REVENUES	13,481,994	0	13,481,994	(5,770,925)	7,711,069
	OPERATING EXPENSES:					
	OPERATION & MAINTENANCE EXPENSE	10,408,500				
9	Non-utility O&M expenses (920, 921)		0		(70,646)	
22	Self insurance reserve (925)		0		(12,995)	
23	Pension expense (926)		0		(36,003)	
36	Remove PGA expenses		0		(5,790,925)	
37	Conservation advertising (912)		0		(2,627)	
40	Memberships & dues (909, 921)		0		493	
42	Rate case expense (928)		0		5,625	
43	Bad debt expense (904)		0		(8,229)	
46	Social events (912)		0		(1,534)	
48	New employees (903, 912, 920, 926)		0		(42,698)	
51	Change in trend factors		0		(19,031)	
52	Rent expense (881)		0		82,490	
53	Meter change out (878)		0		(7,484)	
56	Expenses related to lost customers (various)		0		(30,000)	
	TOTAL O & M EXPENSE	10,408,500	0	10,408,500	(5,933,563)	4,474,937

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU
PTY 12/31/01

16-Oct-2000

ISSUE NO.		TOTAL PER BOOKS	COMPANY ADJS.	COMPANY ADJUSTED	STAFF ADJS.	STAFF ADJUSTED
			COMPANY		STAFF	
	DEPRECIATION & AMORTIZATION	1,377,195				
8	Remove 2nd story office building		0		(2,450)	
9	Remove common plant depreciation		(4,047)		(3,916)	
57	Franchise & consent amortization		0		(424)	
	TOTAL DEPRECIATION & AMORT.	1,377,195	(4,047)	1,373,148	(6,790)	1,366,358
	TAXES OTHER THAN INCOME	1,155,218				
9, 61	Property tax		0		(2,457)	
8, 61	Property tax 2nd story office bld.		0		(1,003)	
61	Regulatory Assessment Fee		0		(41,502)	
61	Gross receipts, franchise fees		0		(473,860)	
9, 61	Payroll taxes		0		(15,674)	
61	Miscellaneous		0		(7,568)	
	TOTAL TAXES OTHER THAN INCOME	1,155,218	0	1,155,218	(542,064)	613,154
	INCOME TAX EXPENSE					
62	Income taxes - current & deferred	(44,770)	0		267,735	
62	Change from 35% to 34% & misc.		0		1,097	
62	Interest Synch/Rec. Adj.		0		(4,134)	
62	Interest Synch/Rec. Adj.		(217,321)		217,321	
	TOTAL INCOME TAXES	(44,770)	(217,321)	(262,091)	482,019	219,928
	TOTAL OPERATING EXPENSES	12,896,143	(221,368)	12,674,775	(6,000,398)	6,674,377
	NET OPERATING INCOME	585,851	221,368	807,219	229,473	1,036,692

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU
O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

Schedule 3A
16-Oct-2000

	TREND RATES:	BASE YEAR + 1 12/31/00	PROJECTED TEST YEAR 12/31/01
# 1	Payroll Only	4.00%	4.00%
# 2	Customer Growth x Inflation	7.62%	7.62%
# 3	Inflation Only (CPI-U)	2.50%	2.50%
# 4	Customer Growth	5.00%	5.00%
#5	Inflation x Customer Growth	0.00%	7.62%

ACCOUNT		BASE YEAR 1999	BASE YEAR + 1 2000	PROJECTED TEST YEAR 2001	TREND BASIS APPLIED
DISTRIBUTION EXPENSE					
870	Operation Supervision & Engineering				
	Payroll trended	130,273	135,484	140,903	1
	Other trended	20,243	21,786	23,446	2
	Total	150,516	157,269	164,349	
871	Distribution Load Dispatching				
	Payroll trended	70,565	73,388	76,323	1
	Other trended	15,334	16,502	17,760	2
	Other trended		42,700	44,408	1
	Total	85,899	132,590	138,491	
872	Compressor Station Labor & Expense				
	Payroll trended	0	0	0	
	Other trended	0	0	0	
	Total	0	0	0	
873	Compressor Station Fuel & Power				
	Payroll trended	0	0	0	
	Other trended	0	0	0	
	Total	0	0	0	
874	Main & Service Expense				
	Payroll trended	132,556	137,858	143,373	1
	Other trended	65,549	70,544	75,919	2
	Total	198,105	208,402	219,292	
875	Measuring & Regulating Station General				
	Payroll trended	0	0	0	
	Other trended	0	0	0	
	Total	0	0	0	
876	Measure & Regulating Station Industrial				
	Payroll trended	0	0	0	
	Other trended	0	0	0	
	Total	0	0	0	

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU
O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

Schedule 3A
16-Oct-2000

	TREND RATES:	BASE YEAR + 1 12/31/00	PROJECTED TEST YEAR 12/31/01
# 1	Payroll Only	4.00%	4.00%
# 2	Customer Growth x Inflation	7.62%	7.62%
# 3	Inflation Only (CPI-U)	2.50%	2.50%
# 4	Customer Growth	5.00%	5.00%
#5	Inflation x Customer Growth	0.00%	7.62%

ACCOUNT		BASE YEAR 1999	BASE YEAR + 1 2000	PROJECTED TEST YEAR 2001	TREND BASIS APPLIED
877	Measure & Regulating Station City Gate				
	Payroll trended	886	921	958	1
	Other trended	21,478	6,972	7,503	2
	Other not trended	0	0	0	
	Total	22,364	7,893	8,462	
878	Meter & House Regulator Expense				
	Payroll trended	215,040	223,642	232,587	1
	Other trended	79,678	85,749	92,284	2
	Staff adjustment	0	0	(12,484)	
	Total	294,718	309,391	312,387	
879	Customer Service Expense				
	Payroll trended	4,271	4,442	4,620	1
	Other trended	6,859	7,382	7,944	2
	Other trended	0	0	0	
	Total	11,130	11,823	12,564	
880	Other Expense Maps & Records				
	Payroll trended	61,140	63,586	66,129	1
	Payroll not trended	17,122	17,550	17,989	3
	Other trended	0	0	0	
	Total	78,262	81,136	84,118	
881	Rents				
	Payroll trended	0	0	0	
	Other trended	30,449	31,210	31,990	3
	Staff adjustments	0	0	82,490	
	Total	30,449	31,210	114,480	
Total Distribution Expense		871,443	939,715	1,054,142	

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU
O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

Schedule 3A
16-Oct-2000

	TREND RATES:	BASE YEAR + 1 12/31/00	PROJECTED TEST YEAR 12/31/01
# 1	Payroll Only	4.00%	4.00%
# 2	Customer Growth x Inflation	7.62%	7.62%
# 3	Inflation Only (CPI-U)	2.50%	2.50%
# 4	Customer Growth	5.00%	5.00%
#5	Inflation x Customer Growth	0.00%	7.62%

ACCOUNT	BASE YEAR 1999	BASE YEAR + 1 2000	PROJECTED TEST YEAR 2001	TREND BASIS APPLIED
MAINTENANCE EXPENSE				
885 Maintenance Supervision & Engineering				
Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended				
Total	0	0	0	
886 Maintenance of Structures & Improvements				
Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended				
Total	0	0	0	
887 Maintenance of Mains				
Payroll trended	59,356	61,730	64,199	1
Other trended	38,501	41,435	44,592	2
Other not trended				
Total	97,857	103,165	108,792	
888 Maintenance of Compressor Station Equip.				
Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended				
Total	0	0	0	
889 Maintenance of Meas. & Reg. Station General				
Payroll trended	5,154	5,360	5,575	1
Other trended	7,062	7,600	8,179	2
Other not trended				
Total	12,216	12,960	13,754	
890 Maintenance of Meas. & Reg. Station Industrial				
Payroll trended	32,829	34,142	35,508	1
Other trended	23,383	9,022	9,709	2
Other not trended				
Total	56,212	43,164	45,217	

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU
O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

Schedule 3A
16-Oct-2000

	TREND RATES:	BASE YEAR + 1 12/31/00	PROJECTED TEST YEAR 12/31/01
# 1	Payroll Only	4.00%	4.00%
# 2	Customer Growth x Inflation	7.62%	7.62%
# 3	Inflation Only (CPI-U)	2.50%	2.50%
# 4	Customer Growth	5.00%	5.00%
#5	Inflation x Customer Growth	0.00%	7.62%

ACCOUNT		BASE YEAR 1999	BASE YEAR + 1 2000	PROJECTED TEST YEAR 2001	TREND BASIS APPLIED
891	Maintenance of Meas. & Reg. Station City Gate				
	Payroll trended	11,642	12,108	12,592	1
	Other trended	8,744	9,410	10,127	2
	Other not trended				
	Total	20,386	21,518	22,719	
892	Maintenance of Services				
	Payroll trended	17,639	18,345	19,078	1
	Other trended	14,845	15,976	17,194	2
	Other not trended				
	Total	32,484	34,321	36,272	
893	Maintenance of Meters & House Regulators				
	Payroll trended	5,169	5,376	5,591	1
	Other trended	64,096	68,980	74,236	2
	Staff adjustments			(5,000)	
	Total	69,265	74,356	74,827	
894	Maintenance of Other Equipment				
	Payroll trended	5,759	5,989	6,229	1
	Other trended	12,538	13,493	14,522	2
	Other not trended				
	Total	18,297	19,483	20,751	
Total Maintenance Expense		306,717	308,967	322,332	

CUSTOMER ACCOUNT EXPENSE

901	Supervision				
	Payroll trended	75,433	78,450	81,588	1
	Other trended	9,794	10,540	11,343	2
	Other not trended				
	Total	85,227	88,991	92,932	

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ACCOUNT		BASE YEAR 1999	BASE YEAR + 1 2000	PROJECTED TEST YEAR 2001	TREND BASIS APPLIED
902	Meter Reading Expense				
	Payroll trended	15,787	16,418	17,075	1
	Other trended	74,805	80,505	86,640	2
	Staff adjustments			(10,000)	
	Total	90,592	96,924	93,715	
903	Customer Records & Collections				
	Payroll trended	175,807	182,839	190,153	1
	Other trended	168,405	181,237	195,048	2
	Other 2000	0	42,000	43,680	1
	Other 2001				
	Staff adjustments			(24,254)	
	Total	344,212	406,077	404,627	
904	Uncollectible Accounts				
	Payroll trended	0	0	0	
	Other trended	25,250	27,174	29,245	2
	Staff adjustments			(8,229)	
	Total	25,250	27,174	21,016	
909	Infor. & Instructional Advertising				
	Payroll trended	0	0	0	
	Other trended	0	0	0	
	Other 2001	0	0	5,000	
	Staff adjustments			4,635	
	Total	0	0	9,635	
Total Customer Account Expense		545,281	619,165	621,924	

SALES EXPENSE

911	Supervision				
	Payroll trended	0	0	0	
	Other trended	0	0	0	
	Other not trended				
	Total	0	0	0	

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ACCOUNT		BASE YEAR 1999	BASE YEAR + 1 2000	PROJECTED TEST YEAR 2001	TREND BASIS APPLIED
912	Selling & Demonstrating Expense				
	Payroll trended	274,470	285,449	296,867	1
	Payroll not trended	72,871	74,693	76,560	3
	Other 2001	0	0	63,000	
	Staff adjustment			(10,461)	
	Total	347,341	360,142	425,966	
913	Advertising Expense				
	Payroll trended	0	0	0	
	Other trended	0	0	0	
	Other not trended				
	Total	0	0	0	
916	Miscellaneous Sales Expense				
	Payroll trended	980	1,019	1,060	1
	Other trended	225	242	261	2
	Other trended				
	Total	1,205	1,261	1,321	
Total Sales Expense		348,546	361,403	427,286	
ADMINISTRATIVE & GENERAL EXPENSES					
920	Administrative & General Salaries				
	Payroll trended	346,269	360,120	374,525	1
	Other trended	211,450	219,908	228,704	1
	Other 2000	0	161,418	167,875	1
	Other 2000		2,000	2,050	3
	Other 2001			70,000	
	Staff adjustment			(65,902)	
	Total	557,719	743,446	777,252	
921	Office Supplies & Expenses				
	Payroll trended	0	0	0	
	Other trended	223,501	240,532	258,860	2
	Other not trended	82,344	84,403	86,513	3
	Staff adjustments			(29,183)	
	Total	305,845	324,934	316,190	

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ACCOUNT		BASE YEAR 1999	BASE YEAR + 1 2000	PROJECTED TEST YEAR 2001	TREND BASIS APPLIED
922	Administrative Exp. Transferred-Credit				
	Payroll trended	0	0	0	
	Other trended	(58,810)	(63,291)	(68,114)	2
	Other not trended				
	Total	(58,810)	(63,291)	(68,114)	
923	Outside Services Employed				
	Payroll trended	0	0	0	
	Other trended	260,414	266,924	273,597	3
	Other trended				
	Total	260,414	266,924	273,597	
924	Property Insurance				
	Payroll trended	0	0	0	
	Other not trended	10,674	10,949	11,233	
	Other not trended				
	Total	10,674	10,949	11,233	
925	Injuries & Damages				
	Payroll trended	112	116	121	1
	Other not trended	141,173	144,019	146,894	
	Staff adjustments			(12,995)	
	Total	141,285	144,135	134,020	
926	Employee Pensions/Benefits				
	Payroll trended	78,335	81,468	84,727	1
	Other trended	312,407	320,217	328,223	3
	Staff adjustment			(37,850)	
	Total	390,742	401,686	375,100	
927	Franchise Requirements				
	Payroll trended	0	0	0	
	Other trended	0	0	0	
	Other not trended				
	Total	0	0	0	

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ACCOUNT		BASE YEAR 1999	BASE YEAR + 1 2000	PROJECTED TEST YEAR 2001	TREND BASIS APPLIED
928	Regulatory Commission Expense				
	Other trended	3,120	3,198	3,278	3
	Other 2001	0	0	60,875	
	Staff adjustments			5,625	
	Total	3,120	3,198	69,778	
929	Duplicate Charges				
	Payroll trended	0	0	0	
	Other trended	0	0	0	
	Other not trended				
	Total	0	0	0	
930.1	General Advertising Expenses				
	Payroll trended	0	0	0	
	Other trended	0	0	0	
	Other not trended				
	Total	0	0	0	
930.2	Miscellaneous General Expenses				
	Payroll trended	0	0	0	
	Other trended	76,174	78,078	80,030	3
	Other not trended	0	0	0	
	Total	76,174	78,078	80,030	
931	Rents				
	Payroll trended	0	0	0	
	Other trended	54,161	55,515	56,903	3
	Other not trended	0	0	0	
	Total	54,161	55,515	56,903	
932	Maintenance of General Plant				
	Payroll trended	893	929	966	1
	Other trended	21,224	21,755	22,298	3
	Other not trended	0	0	0	
	Total	22,117	22,683	23,264	
Total Administrative & General Expenses		1,763,441	1,988,258	2,049,253	
TOTAL OPERATION & MAINTENANCE EXPENSES		$3,835,428	$4,217,508	$4,474,937	

NET OPERATING INCOME MULTIPLIER

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU
PTY 12/31/01

ATTACHMENT 4
16-Oct-2000

DESCRIPTION	COMPANY PER FILING	STAFF
REVENUE REQUIREMENT	100.0000%	100.0000%
GROSS RECEIPTS TAX RATE	2.5000%	0.0000%
REGULATORY ASSESSMENT RATE	0.5000%	0.5000%
BAD DEBT RATE	0.0000%	0.0000%
NET BEFORE INCOME TAXES	97.0000%	99.5000%
STATE INCOME TAX RATE	5.5000%	5.5000%
STATE INCOME TAX	5.3350%	5.4725%
NET BEFORE FEDERAL INCOME TAXES	91.6650%	94.0275%
FEDERAL INCOME TAX RATE	35.0000%	34.0000%
FEDERAL INCOME TAX	32.0828%	31.9694%
REVENUE EXPANSION FACTOR	59.5823%	62.0582%
NET OPERATING INCOME MULTIPLIER	1.6784	1.6114

COMPARATIVE REVENUE DEFICIENCY CALCULATIONS

FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
DOCKET NO. 000108-GU
PTY 12/31/01

ATTACHMENT 5
16-Oct-2000

		COMPANY ADJUSTED		STAFF
RATE BASE (AVERAGE)		$21,321,700		$21,088,311
RATE OF RETURN	X	8.89%	X	8.60%
REQUIRED NOI		$1,895,499		$1,813,595
Operating Revenues		13,481,994		7,711,069
Operating Expenses:				
	Operation & Maintenance	10,408,500		4,474,937
	Depreciation & Amortization	1,373,148		1,366,358
	Amortization of Environ. Costs	0		0
	Taxes Other than Income Taxes	1,155,218		613,154
	Income Taxes	(262,091)		219,928
	Total Operating Expenses	12,674,775		6,674,377
ACHIEVED NOI		807,219		1,036,692
NET NOI DEFICIENCY		1,088,280		776,902
REVENUE TAX FACTOR		1.6784		1.6114
REVENUE DEFICIENCY		$1,826,569		$1,251,900