

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost Recovery Clause

DIRECT TESTIMONY OF BEVERLY A. BAUCK

On Behalf of

Chesapeake Utilities Corporation

DOCKET NO. 010004-GU

RECEIVED-FPSC  
01 MAY 11 PM 1:32  
RECORDS AND REPORTING

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

Q. Please state your name, business address, by whom you are employed, and in what capacity.

A. My name is Beverly Bauck, and my business address is 1015 6<sup>th</sup> Street N.W., Winter Haven, Florida, 33881. I am employed by Chesapeake Utilities Corporation ("Chesapeake") as Conservation Service Representative.

Q. Are you familiar with the energy conservation programs of Chesapeake and costs which have been, are projected to be, incurred in their implementation?

A. Yes.

Q. What is the purpose of your testimony in this docket?

A. The purpose of my testimony is to present data and summaries concerning the planned and actual accomplishments of Chesapeake's energy conservation programs during the period January 2000 through December 2000. Data related to calculation of the true-up for this period is also included.

Q. Have you prepared summaries of Chesapeake's conservation programs and the costs associated with them?

A. Yes. Summaries of the seven programs in connection with which Chesapeake incurred recoverable costs during the period January 2000 through December

APP  
CAF  
CMP  
COM  
CTR  
EGR  
LEG  
OPC  
PA  
RGO  
SEC  
SER  
OTH

RECEIVED & FILED  
*Mona H.*  
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE  
05929 MAY 11 05  
FPSC-RECORDS/REPORTING

1 2000 are contained in Schedule CT-6 of Exhibit BAB-1. Included are our  
2 Residential Home Builders Programs, Appliance Replacement Program,  
3 Water Heater Retention Program, Natural Gas Space Conditioning for  
4 Residential Homes Program, Natural Gas Space Conditioning Program,  
5 Residential Propane Distribution Program and our Conservation Education  
6 Program.

7 Q. Have you prepared schedules which show the expenditures associated with  
8 Chesapeake's energy conservation programs for the periods you have  
9 mentioned?

10 A. Yes. Schedule CT-2 page 1, Exhibit BAB-1 shows actual expenses for the  
11 period.

12 Schedule CT-2, page, 1, shows a comparison of the actual program costs and  
13 true-up with the estimated costs and true-up submitted at the November 2000  
14 hearing in this docket.

15 Q. What was the total cost incurred by Chesapeake in connection with the seven  
16 programs during the twelve months ending December 2000?

17 A. As shown in Exhibit BAB-1, Schedule CT-2, page 2, total program costs were  
18 \$349,254. This total is \$ 80,942 more than our projection of the program  
19 costs for the twelve month period.

20 Q. Have you prepared, for the twelve month period involved, a schedule which  
21 shows the variance of actual from projected costs by categories of expenses.

22 A. Yes. Schedule CT-2, page 3, of Exhibit BAB-1 shows these variances.

23 Reasons for the variance are included in Schedule CT-5 of Exhibit BAB-1.

- 1 Q. What is Chesapeake's adjusted net true-up for the twelve months ended  
2 December 2000?
- 3 A. We originally estimated an overrecovery, including interest, of \$79,550. This  
4 projected true-up amount was based on conservation revenues of \$348,976 for  
5 the period January 2000 through December 2000. However, sales during this  
6 period actually yielded conservation revenues of \$315,655, \$33,321 below  
7 projection. Expenses for the period were \$80,941 more than projected. The  
8 total difference, including interest, is \$120,705, as shown on Schedule CT-1  
9 of Exhibit BAB-1.
- 10 Q. Is this adjusted net true-up of \$120,705 an overrecovery or an underrecovery?
- 11 A. An underrecovery, as shown on Schedule CT-1 of Exhibit BAB-1.
- 12 Q. Does this conclude your testimony?
- 13 A. Yes, it does.

Docket No. 010004-GU

Exhibit \_\_\_\_\_(BAB-1)

CHESAPEAKE UTILITIES CORPORATION

CONSERVATION COST RECOVERY TRUE-UP

January 1, 2000 through December 31, 2000

## CONTENTS

### **Schedule CT-1**

(1 of 1)	Adjusted Net True-up	1
----------	----------------------	---

### **Schedule CT-2**

(1 of 3)	Analysis of Energy Conservation Costs Actual vs. Estimated	2
(2 of 3)	Actual Conservation Program Costs per Program	3
(3 of 3)	Conservation Costs Per Program- Variance Actual vs. Projected	4

### **Schedule CT-3**

(1 of 3)	Energy Conservation Adjustment Calculation of True-Up and Interest Provision- Summary of Expenses by Program by Month	5
(2 of 3)	Energy Conservation Adjustment Calculation of True-Up and Interest Provision	6
(3 of 3)	Calculation of True-Up and Interest Provision	7

### **Schedule CT-4**

(1 of 1)	Schedule of Capital Investments, Depreciation and Return	8
----------	--	---

### **Schedule CT-5**

(1 of 1)	Reconciliation and Explanation of Differences Between Filing and PSC Audit Report.	9
----------	---	---

### **Schedule CT-6**

(1 of 7)	Program Description and Progress Residential Home Builder Program	10
(2 of 7)	Program Description and Progress Residential Appliance Replacement	11
(3 of 7)	Program Description and Progress Residential Water Heater Retention	12

(4 of 7)	Program Description and Progress Conservation Education Program	13
(5 of 7)	Program Description and Progress Gas Space Conditioning	14
(6 of 7)	Program Description and Progress Residential Space Conditioning	15
(7 of 7)	Program Description and Progress Propane Distribution Program	16

SCHEDULE CT-1

COMPANY Chesapeake Utilities Corporation

Docket No. 010004-GU

Exhibit BAB-1

Page 1 of 16

ADJUSTED NET TRUE-UP  
FOR MONTH JANUARY 2000 THROUGH DECEMBER 2000

END OF PERIOD NET TRUE-UP

PRINCIPAL	33,600	
INTEREST	<u>7,555</u>	41,155

LESS PROJECTED TRUE-UP

PRINCIPAL	(80,663)	
INTEREST	<u>1,113</u>	<u>(79,550)</u>

ADJUSTED NET TRUE-UP		<u>120,705</u>
----------------------	--	----------------

( ) REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS  
ACTUAL VERSUS ESTIMATED

JANUARY 2000 THROUGH DECEMBER 2000

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	28,577	34,030	(5,453)
MATERIALS & SUPPLIES	2,791	2,030	761
ADVERTISING	58,761	59,017	(256)
INCENTIVES	250,348	172,294	78,054
OUTSIDE SERVICES	8,779	0	8,779
VEHICLES	0	942	(942)
OTHER	<u>0</u>	<u>0</u>	<u>0</u>
SUB-TOTAL	349,255	268,313	80,942
PROGRAM REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PROGRAM COSTS	349,254	268,313	80,941
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(315,655)	(348,976)	33,321
ROUNDING ADJUSTMENT	<u>0</u>	<u>0</u>	<u>0</u>
TRUE-UP BEFORE INTEREST	33,600	(80,663)	114,263
INTEREST PROVISION	<u>7,555</u>	<u>1,113</u>	<u>6,442</u>
END OF PERIOD TRUE-UP	<u>(41,155)</u>	<u>79,550</u>	<u>120,705</u>

( ) REFLECTS OVER-RECOVERY  
\* 7 MONTHS ACTUAL AND 5 MONTHS PROJECTED



ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM  
FOR MONTHS: JANUARY 2000 THROUGH DECEMBER 2000

PROGRAM NAME	<u>CAPITAL INVESTMENT</u>	<u>PAYROLL &amp; BENEFITS</u>	<u>MATERIALS &amp; SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
PROGRAM 1: RES. HOME BUILDER	0	12,727	401	18,925	209,965	5,815	0	0	247,832
PROGRAM 2: RES. APPLIANCE REPLACEMENT	0	7,740	534	37,025	22,605	0	0	0	67,904
PROGRAM 3: WATER HEATER RETENTION	0	7,216	0	0	17,778	0	0	0	24,994
PROGRAM 4: CONSERVATION EDUCATION	0	894	1,856	2,391	0	2,964	0	0	8,105
PROGRAM 5: GAS SPACE CONDITIONING	0	0	0	420	0	0	0	0	420
PROGRAM 6: COMMON COSTS	0	0	0	0	0	0	0	0	0
PROGRAM 7: RES. SPACE CONDIONTING	0	0	0	0	0	0	0	0	0
PROGRAM 8: PROPANE DISTRIBUTION	0	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<u>0</u>	<u>28,577</u>	<u>2,791</u>	<u>58,761</u>	<u>250,348</u>	<u>8,779</u>	<u>0</u>	<u>0</u>	<u>349,255</u>

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED  
FOR MONTHS: JANUARY 2000 THROUGH DECEMBER 2000

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RES. HOME BUILDER	0	(3,611)	(582)	(15,971)	71,185	5,815	(474)	0	56,361
PROGRAM 2: RES. APPLIANCE REPLACEMENT	0	(1,017)	(153)	25,539	8,188	0	(155)	0	32,402
PROGRAM 3: WATER HEATER RETENTION	0	(187)	0	(2,571)	(1,319)	0	(155)	0	(4,232)
PROGRAM 4: CONSERVATION EDUCATION	0	(638)	1,496	(7,673)	0	2,964	(158)	0	(4,009)
PROGRAM 5: GAS SPACE CONDITIONING	0	0	0	420	0	0	0	0	420
PROGRAM 6: COMMON COSTS	0	0	0	0	0	0	0	0	0
PROGRAM 7: RES. SPACE CONDIONTING	0	0	0	0	0	0	0	0	0
PROGRAM 8: PROPANE DISTRIBUTION	0	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
TOTAL TOTAL OF ALL PROGRAMS	0	(5,453)	761	(256)	78,054	8,779	(942)	0	80,942

( ) REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION  
FOR MONTHS: JANUARY 2000 THROUGH DECEMBER 2000

EXPENSES	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
PROGRAM 1: RES. HOME BUILDER	1,361	12,386	25,375	17,305	18,414	6,429	30,177	37,195	15,393	35,576	29,686	18,535	247,832
PROGRAM 2: RES. APPLIANCE REPLACEMENT	730	2,430	6,360	3,290	5,880	4,056	1,322	2,442	2,588	13,749	7,654	17,404	67,904
PROGRAM 3: WATER HEATER RETENTION	617	2,117	3,667	2,067	1,317	2,220	2,767	578	718	2,869	4,865	1,192	24,994
PROGRAM 4: CONSERVATION EDUCATION	128	128	338	5,334	443	128	128	0	630	0	0	850	8,105
PROGRAM 5: GAS SPACE CONDITIONING	0	0	0	0	0	0	0	420	0	0	0	0	420
PROGRAM 6: COMMON COSTS	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 7: RES. SPACE CONDIONTING	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 8: PROPANE DISTRIBUTION	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	2,836	17,061	35,739	27,995	26,053	12,832	34,394	40,634	19,330	52,194	42,205	37,981	349,255
LESS AMOUNT INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSERVATION EXPENSES	2,836	17,061	35,739	27,995	26,053	12,832	34,394	40,634	19,330	52,194	42,205	37,981	349,255

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION  
JANUARY 2000 THROUGH DECEMBER 2000

CONSERVATION REVENUES	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1 RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROGRAM REVS	0	0	0	0	0	0	0	0	0	0	0	0	0
3 CONSERV ADJ REVS	<u>(51,022.82)</u>	<u>(48,725.54)</u>	<u>(35,964.93)</u>	<u>(33,195.10)</u>	<u>(27,462.29)</u>	<u>(24,811.20)</u>	<u>(21,298.98)</u>	<u>(24,357.83)</u>	<u>(24,958.80)</u>	<u>(29,261.81)</u>	<u>(35,844.44)</u>	<u>(51,295.19)</u>	<u>(408,198.93)</u>
4 TOTAL REVENUES	<u>(51,022.82)</u>	<u>(48,725.54)</u>	<u>(35,964.93)</u>	<u>(33,195.10)</u>	<u>(27,462.29)</u>	<u>(24,811.20)</u>	<u>(21,298.98)</u>	<u>(24,357.83)</u>	<u>(24,958.80)</u>	<u>(29,261.81)</u>	<u>(35,844.44)</u>	<u>(51,295.19)</u>	<u>(408,198.93)</u>
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>92,544.00</u>
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	<u>(43,310.82)</u>	<u>(41,013.54)</u>	<u>(28,252.93)</u>	<u>(25,483.10)</u>	<u>(19,750.29)</u>	<u>(17,099.20)</u>	<u>(13,586.98)</u>	<u>(16,645.83)</u>	<u>(17,246.80)</u>	<u>(21,549.81)</u>	<u>(28,132.44)</u>	<u>(43,583.19)</u>	<u>(315,654.93)</u>
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	2,835.71	17,060.71	35,739.36	27,994.88	26,053.21	12,832.47	34,393.79	40,634.15	19,330.22	52,194.05	42,205.43	37,980.67	349,254.67
8. TRUE-UP THIS PERIOD	(40,475.11)	(23,952.83)	7,486.43	2,511.78	6,302.92	(4,266.73)	20,806.81	23,988.32	2,083.42	30,644.24	14,072.99	(5,602.52)	33,599.74
9. INTER PROV. THIS PERIOD (FROM CT-3, PAGE 3)	361.75	251.42	255.93	330.31	409.93	472.88	560.04	721.63	837.10	972.48	1,154.43	1,227.09	7,554.98
10 TRUE-UP & INTER PROV BEGINNING OF MONTH	92,539.00	60,137.64	44,148.23	59,602.60	70,156.70	84,581.56	88,499.70	117,578.55	150,000.50	160,633.02	199,961.73	222,901.15	
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>	<u>7,712.00</u>
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	<u>60,137.64</u>	<u>44,148.23</u>	<u>59,602.60</u>	<u>70,156.70</u>	<u>84,581.56</u>	<u>88,499.70</u>	<u>117,578.55</u>	<u>150,000.50</u>	<u>160,633.02</u>	<u>199,961.73</u>	<u>222,901.15</u>	<u>226,237.72</u>	<u>41,154.72</u>

CALCULATION OF TRUE-UP AND INTEREST PROVISION  
FOR MONTHS: JANUARY 2000 THROUGH DECEMBER 2000

INTEREST PROVISION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1 BEGINNING TRUE-UP	92,539.00	60,137.64	44,148.23	59,602.60	70,156.70	84,581.56	88,499.70	117,578.55	150,000.50	160,633.02	199,961.73	222,901.15	
2 ENDING TRUE-UP BEFORE INTEREST	<u>59,775.89</u>	<u>43,896.82</u>	<u>59,346.67</u>	<u>69,826.39</u>	<u>84,171.62</u>	<u>88,026.83</u>	<u>117,018.52</u>	<u>149,278.87</u>	<u>159,795.92</u>	<u>198,989.26</u>	<u>221,746.72</u>	<u>225,010.63</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	152,314.89	104,034.46	103,494.90	129,428.99	154,328.32	172,608.38	205,518.22	266,857.42	309,796.42	359,622.27	421,708.46	447,911.78	
4 AVERAGE TRUE-UP (LINE 3 TIMES 50%)	<u>76,157.45</u>	<u>52,017.23</u>	<u>51,747.45</u>	<u>64,714.49</u>	<u>77,164.16</u>	<u>86,304.19</u>	<u>102,759.11</u>	<u>133,428.71</u>	<u>154,898.21</u>	<u>179,811.14</u>	<u>210,854.23</u>	<u>223,955.89</u>	
5 INTER. RATE - 1ST DAY OF REPORTING MONTH	5.600%	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	6.480%	6.490%	6.490%	6.650%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	<u>5.800%</u>	<u>5.800%</u>	<u>6.070%</u>	<u>6.180%</u>	<u>6.570%</u>	<u>6.580%</u>	<u>6.500%</u>	<u>6.480%</u>	<u>6.490%</u>	<u>6.490%</u>	<u>6.650%</u>	<u>6.500%</u>	
7. TOTAL (SUM LINES 5 & 6)	11.400%	11.600%	11.870%	12.250%	12.750%	13.150%	13.080%	12.980%	12.970%	12.980%	13.140%	13.150%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	5.700%	5.800%	5.935%	6.125%	6.375%	6.575%	6.540%	6.490%	6.485%	6.490%	6.570%	6.575%	
9 MONTHLY AVG INTEREST RATE	0.475%	0.483%	0.495%	0.510%	0.531%	0.548%	0.545%	0.541%	0.540%	0.541%	0.548%	0.548%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	<u>\$361.75</u>	<u>\$251.42</u>	<u>\$255.93</u>	<u>\$330.31</u>	<u>\$409.93</u>	<u>\$472.88</u>	<u>\$560.04</u>	<u>\$721.63</u>	<u>\$837.10</u>	<u>\$972.48</u>	<u>\$1,154.43</u>	<u>\$1,227.09</u>	<u>\$7,554.98</u>



Exhibit No. \_\_\_\_\_ (BAB-1)  
Docket No. 010004-EG  
CHESAPEAKE UTILITIES CORPORATION  
Page 9 of 16

Schedule CT-5

CHESAPEAKE UTILITIES CORPORATION

Reconciliation and Explanation of Differences Between Filing and PSC Audit Report for January  
2000 through December 2000.

**NO DIFFERENCES AS OF THE DATE OF THIS FILING**

Schedule CT-6  
Page 1 of 7

CHESAPEAKE UTILITIES CORPORATION  
Program Description and Progress

Program Title:

Residential Home Builder Program

Program Description:

This program is designed to increase the number of high priority natural gas customers in the new home construction market. Incentives are offered in the form of gas piping and venting allowances to assist builders with gas appliance installation.

Allowances:

Conservation allowances are currently:

- \$275 Energy efficient natural gas water heater installation.
- \$275 Natural Gas home heating.
- \$75 Energy efficient natural gas range or dryer stub outlet.

Program Projections:

For the twelve-month period January 2000 through December 2000, we estimated that 317 homes would be connected to the system. During this period, allowances were actually paid for building 395 new homes equipped with natural gas appliances.

Program Fiscal Expenditures:

During the twelve-month period, expenditures for this program totaled \$247,832.

Program Progress Summary:

Since the program's inception, 5069 new homes have been equipped with natural gas appliances. Company representatives continue to work closely with area builders to promote the installation of natural gas appliances in new homes.



Schedule CT-6  
Page 2 of 7

CHESAPEAKE UTILITIES CORPORATION  
Program Description and Progress

Program Title:

Residential Appliance Replacement Program

Program Description:

This program is designed to encourage the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. Incentives are offered in the form of allowances to assist in defraying the additional cost associated with the installation of piping, venting and purchase of natural gas appliances.

Program Projections:

For the twelve-month period January 2000 through December 2000, we estimated that 63 residences would qualify for incentives during this period. In actuality, 62 residences qualified for incentives.

Program Fiscal Expenditures:

For this twelve-month period, CUC incurred program costs of \$67,904.

Program Summary:

Since inception, 89 residences have qualified for this program.

Schedule CT-6  
Page 3 of 7

CHESAPEAKE UTILITIES CORPORATION  
Program Description and Progress

Program Title:

Residential Water Heater Retention Program

Program Description:

This program is design to encourage the continued use of natural gas in the home and avoid costly abandonment activities by the Company. This program offers a cash incentive to both the customer and the dealer to promote the retention of the natural gas water heater.

Program Projections:

For the twelve-month period January 2000 through December 2000, we estimated that 105 natural gas water heaters would qualify for this program. In actuality, 145 natural gas water heaters were installed.

Program Fiscal Expenditures:

For this twelve-month period, CUC incurred program costs of \$24,994.

Program Summary:

Since inception, 383 natural gas water heaters have been changed out and natural gas water heaters reinstalled. CUC will continue to work closely with homeowners and dealers to promote the continued used of energy efficient natural gas.

Schedule CT-6  
Page 4 of 7

CHESAPEAKE UTILITIES CORPORATION  
Program Description and Progress

Program Title:  
Conservation Education Program

Program Description:  
The objective of this program is to teach adults and young people conservation measures designed to reduce energy consumption and consequently reduce their family's utility bill.

Program Projections:  
Over the next several months we intend to supply conservation education materials to schools in our service area.

Program Fiscal Expenditures:  
Program costs totaled \$8,105 for this twelve-month period.

Programs Progress Summary:  
We continue to meet requests from school and the community for speakers and from schools for conservation education materials.

Schedule CT-6  
Page 5 of 7

CHESAPEAKE UTILITIES CORPORATION  
Program Description and Progress

Program Title:

Gas Space Conditioning Program

Program Description:

The program is designed to convert customers from electric space conditioning equipment to energy efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and its installation. The program will also help reduce summer kw demand and will assist in the conservation of kwh production. The company offers incentives of \$50 per ton installed natural gas space conditioning equipment.

Program Projections:

There were no projections made for natural gas cooling during this period.

Program Fiscal Expenditures:

Program cost totaled \$420 for this twelve-month period.

Program Summary:

Seven natural gas space conditioning units have been installed since this program began.

Schedule CT-6  
Page 6 of 7

CHESAPEAKE UTILITIES CORPORATION  
Program Description and Progress

Program Title:  
Residential Space Conditioning Program

Program Description:  
This program is designed to convert residential customers from electric space conditioning equipment to energy efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and its installation. The program will also help reduce the summer KW demand and will assist in the conservation of KWH production.

Program Projections:  
There has been no activity in this program to date.

Program Fiscal Expenditures:  
For this twelve-month period, CUC has not incurred any costs related to this program.

Program Summary:  
There has been no activity in this program to date.

Schedule CT-6  
Page 7 of 7

CHESAPEAKE UTILITIES CORPORATION  
Program Description and Progress

Program Title:  
Residential Propane Distribution Program

Program Description:  
This program is designed to promote the use of gas within subdivisions that are built beyond existing natural gas lines. This program is designed to provide Builders and developers a cash incentive to encourage the installation of gas appliances in newly constructed homes.

Program Projections:  
There has been no activity in this program to date.

Program Fiscal Expenditures:  
For this twelve-month period, CUC has not incurred any costs related to this program.

Program Summary:  
There has been no activity in this program to date.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas Conservation  
Cost Recovery

Docket No. 010004-GU

RECORDS AND  
REPORTING

01 MAY 11 PM 1:31

RECEIVED-FPSC

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the direct testimony of Beverly A. Bauck and Composite Exhibit BAB-1 were furnished on this 11<sup>th</sup> day of May, 2001, by hand-delivery to Marlene K. Stern, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, and by U.S. Mail to:

Norman H. Horton, Esq.  
Messer Caparello & Self  
P.O. Box 1876  
Tallahassee, FL 32301-1876

Richard Wall  
City Gas Company of Florida  
955 East 25<sup>th</sup> St.  
Hialeah, FL 333013-3498

Robert Vandiver, Esq.  
Deputy Public Counsel  
111 W. Madison St.  
Suite 812  
Tallahassee, FL 32399-1400

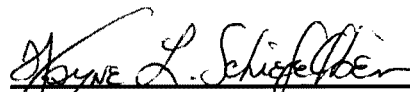
Lee L. Willis, Esq.  
James D. Beasley, Esq.  
Ausley & McMullen  
P.O. Box 391  
Tallahassee, FL 32302

Ansley Watson, Jr. Esq.  
Macfarlane Ferguson  
& McMullen  
P.O. Box 1531  
Tampa, FL 33601-1531

Stuart L. Shoaf  
St. Joe Natural Gas Co., Inc.  
P.O. Box 549  
Port St. Joe, FL 32457-0549

RECEIVED & FILED

  
FPSC BUREAU OF RECORDS



**Wayne L. Schiefelbein**

**P.O. Box 15856**

**Tallahassee, FL 32317-5856**

**(850) 671-1111**

**(850) 671-1222 (facsimile)**

**Attorney for the Florida Division of  
Chesapeake Utilities Corporation**