

State of Florida



Public Service Commission

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COMMISSION
CLERK

DATE: November 21, 2006

TO: Director, Division of the Commission Clerk & Administrative Services (Bayó)

FROM: Division of Economic Regulation (M. Springer) *MS* CR 133
Office of the General Counsel (K. Fleming) *VERMONT ALM*

RE: Docket No. 060728-GU – Application for authorization to issue common stock, preferred stock and secured and/or unsecured debt, and to enter into agreements for interest rate swap products, equity products and other financial derivatives, and to exceed limitation placed on short-term borrowings in 2007, by Florida Division of Chesapeake Utilities Corporation.

AGENDA: 12/05/2006 - Consent Agenda – Final Action - Interested Persons May Participate

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\ECR\WP\060728.RCM.DOC

Please place the following securities application on the consent agenda for approval.

Docket No. 060728-GU – Chesapeake Utilities Corporation (Chesapeake or Company) seeks authority to issue common stock, preferred stock and secured and/or unsecured debt, and to enter into agreements for interest rate swap products, equity products and other financial derivatives, and to exceed the limitation placed on short-term borrowings in 2007.

The Company seeks authority to issue during calendar year 2007 up to 5,000,000 shares of Chesapeake common stock; up to 1,000,000 shares of Chesapeake preferred stock; up to \$80 million in secured and/or unsecured debt; to enter into agreements up to \$40 million in Interest Rate Swap Products, Equity Products and other Financial Derivatives; and to obtain authorization to exceed the limitation placed on short-term borrowings by Section 366.04, Florida Statutes, so as to issue short-term obligations during 2007, in an amount not to exceed \$70 million.

Chesapeake Utilities Corporation allocates funds to the Florida Division on an as-needed basis, although in no event would such allocations exceed 75 percent of the proposed equity

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

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securities (common stock and preferred stock), long-term debt, short-term debt, Interest Rate Swap Products, Equity Products and Financial Derivatives.

For monitoring purposes, this docket should remain open until April 28, 2008 to allow the Company time to file the required Consummation Report.