

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 RATE OF RETURN REPORT SUMMARY  
 December 31, 2019

SCHEDULE 1

	(1) ACTUAL PER BOOKS (JURISDICTIONAL)	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
I. AVERAGE RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 5,511,988	\$193,337	\$5,705,325	\$0	\$5,705,325
AVERAGE RATE BASE	\$101,001,969	(\$529,426)	\$100,472,543	\$0	\$100,472,543
AVERAGE RATE OF RETURN	5.46%		5.68%		5.69%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$5,511,988	\$91,783	\$5,603,771	\$0	\$5,603,771
YEAR-END RATE BASE	\$107,260,928	(\$659,430)	\$106,602,498	\$0	\$106,602,498
YEAR-END RATE OF RETURN	5.14%		5.26%		5.29%

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)	IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)
LOW	A. INCL COMP RATE ADJ REVENUES 10.93%
MIDPOINT	B. EXCL COMP RATE ADJ REVENUES 10.93%
HIGH	

I am aware that Section 337.06, Florida Statutes, provides:  
 Whoever knowingly makes a false statement in writing with the  
 intent to mislead a public servant in the performance of his official  
 duty shall be guilty of a misdemeanor of the second degree punishable  
 as provided in s. 775.082, s. 775.083, or s. 775.084.

Mike Cassel  
 AVP, Regulatory Affairs  
 Signature  Date 3/12/20

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 AVERAGE RATE OF RETURN  
 For the 12 Months Ending December 31, 2019  
 RATE BASE

	(1) PLANT IN SERVICE	(2) ACCUMULATED DEPRECIATION & AMORTIZATION	(3) PLANT IN SERVICE	(4) NET PROPERTY HELD FOR FUTURE USE	(5) CONSTRUCTION WORK IN PROGRESS	(6) NET UTILITY PLANT	(7) WORKING CAPITAL	(8) TOTAL RATE BASE
PER BOOKS	\$132,699,985	(\$35,084,497)	\$97,625,488	\$0	\$3,372,820	\$100,998,309	\$3,660	\$101,001,969
FPSC ADJUSTMENTS:								
ELIMINATIONS TO WORKING CAPITAL								
ELIMINATE ACQUISITION ADJ	\$0	\$0	\$0	\$0		\$0	(\$283,412)	(\$283,412)
ELIM. FRANCHISE/CONSENT	(\$14,132)	\$13,601	(\$531)	(\$531)		(\$531)	\$0	(\$531)
ELIM. COMMON PLANT	(\$209,895)	\$81,725	(\$128,171)	(\$128,171)		(\$128,171)	(\$9,004)	(\$128,171)
FLEXIBLE GAS SERVICE	(\$259,136)	\$150,829	(\$108,308)	(\$108,308)		(\$108,308)	(\$117,332)	(\$117,332)
TOTAL FPSC ADJUSTMENTS	(\$483,194)	\$246,154	(\$237,009)	\$0	\$0	(\$237,009)	(\$292,416)	(\$529,289)
FPSC ADJUSTED	\$132,206,821	(\$34,818,342)	\$97,388,479	\$0	\$3,372,820	\$100,761,299	(\$288,756)	\$100,472,543
COMP RATE ADJ REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR COMP RATE ADJ REVENUE	\$132,206,821	(\$34,818,342)	\$97,388,479	\$0	\$3,372,820	\$100,761,299	(\$288,756)	\$100,472,543
PROFORMA ADJUSTMENTS								
TOTAL PROFORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROFORMA ADJUSTED	\$132,206,821	(\$34,818,342)	\$97,388,479	\$0	\$3,372,820	\$100,761,299	(\$288,756)	\$100,472,543

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 AVERAGE RATE OF RETURN  
 For the 12 Months Ending December 31, 2019  
 INCOME STATEMENT

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M GAS EXPENSE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	D.I.T. (NET)	I.T.C. (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
PER BOOKS	\$ 27,902,841	\$ 5,516,743	\$ 10,292,796	\$ 3,088,196	\$ 2,243,057	\$ 1,250,080			\$ -	\$ 22,390,853	\$ 5,511,988
FPSC ADJUSTMENTS:											
1) Interest Synchronization						28,706				\$ 28,706	\$ (28,706)
2) Acquisition adjust.						489				\$ (1,504)	\$ 1,504
3) Elim. Property Tax - Common Plant						103				\$ (317)	\$ 317
4) Elim. amort org costs						5,285				\$ (16,207)	\$ 16,207
5) Elim Economic Dev. Expense						2,015				\$ (6,203)	\$ 6,203
6) Elim. Depreciation Exp. Common Plant						409				\$ (1,298)	\$ 1,298
7) Elim. Non-utility O & M						1,382				\$ (4,193)	\$ 4,193
8) Elim. Ind. Assoc dues						577				\$ (1,778)	\$ 1,778
9) Elim charitable contributions						1,144				\$ -	\$ 3,520
10) Elim. Social Activities						0				\$ (705,711)	\$ -
11) Elim. promotional expenses						5,821				\$ (961,335)	\$ -
12) Interest Income	\$ 4,663					0				\$ (4,577,332)	\$ 17,917
13) Elim. Rev Related Taxes (Franchise & PSC Assess)	\$ (705,711)					0				\$ (74,440)	\$ (74,440)
14) Elim. Conservation Rev & Exp.	\$ (961,335)	\$ (356,524)				0				\$ (16,011)	\$ 49,281
15) Elim. Swing Service Expenses and Revenue	\$ (4,559,415)	\$ (4,560,219)				0				\$ (68,418)	\$ (68,418)
16) Elim. Flexible Gas Service	\$ (156,600)					0				\$ (85,356)	\$ (85,356)
17) Remove Potential Refund Booked for State Tax	\$ 65,292					0				\$ -	\$ 262,723
18) Out of Period Adj. for Prior Year Tax Docket	\$ -					0				\$ -	\$ -
19) Out of Period GRIP Refund	\$ 348,079					0				\$ -	\$ -
TOTAL FPSC ADJUSTMENTS	\$ (5,965,027)	\$ (5,516,743)	\$ (62,570)	\$ 58,650	\$ (738,137)	\$ 100,845	\$ -	\$ -	\$ -	\$ (6,158,384)	\$ 193,357
FPSC ADJUSTED	\$ 21,937,814	\$ -	\$ 10,229,817	\$ 3,146,846	\$ 1,504,920	\$ 1,350,906	\$ -	\$ -	\$ -	\$ 16,232,489	\$ 5,705,325
COMP RATE ADJ REVENUES - DEFICIT/(SURPLUS)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ADJUSTED FOR COMP RATE ADJ REVENUES	\$ 21,937,814	\$ -	\$ 10,229,817	\$ 3,146,846	\$ 1,504,920	\$ 1,350,906	\$ -	\$ -	\$ -	\$ 16,232,489	\$ 5,705,325
PROFORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PRO FORMA ADJUSTED	\$ 21,937,814	\$ -	\$ 10,229,817	\$ 3,146,846	\$ 1,504,920	\$ 1,350,906	\$ -	\$ -	\$ -	\$ 16,232,489	\$ 5,705,325

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 YEAR END RATE OF RETURN  
 For the 12 Months Ending December 31, 2019  
 RATE BASE

	(1) PLANT IN SERVICE	(2) ACCUMULATED DEPRECIATION & AMORTIZATION	(3) PLANT IN SERVICE	(4) NET PROPERTY HELD FOR FUTURE USE	(5) CONSTRUCTION WORK IN PROGRESS	(6) NET UTILITY PLANT	(7) WORKING CAPITAL	(8) TOTAL RATE BASE
PER BOOKS	\$ 138,256,903.	\$ (58,385,247)	\$ 102,871,158	\$ -	\$ 2,294,975	\$ 105,166,131	\$ 2,094,798	\$ 107,260,928
FPSC ADJUSTMENTS:								
ELIMINATIONS TO WORKING CAPITAL								
ELIM. FRANCHISE/CONSENT	\$ (14,132)	\$ 13,811	\$ (321)			\$ (321)	\$ (421,466)	\$ (421,466)
ELIM. COMMON PLAN	\$ (207,200)	\$ 82,817	\$ (124,384)			\$ (124,384)	\$ (9,004)	\$ (124,384)
FLEXIBLE GAS SERVICE	\$ (253,136)	\$ 153,981	\$ (103,256)			\$ (103,256)	\$ -	\$ (172,280)
TOTAL FPSC ADJUSTMENTS	\$ (490,468)	\$ 252,508	\$ (227,960)	\$ -	\$ -	\$ (227,960)	\$ (430,470)	\$ (658,430)
FPSC ADJUSTED	\$ 137,776,435	\$ (58,133,239)	\$ 102,643,198	\$ -	\$ 2,294,975	\$ 104,938,170	\$ 1,664,328	\$ 106,602,498
COMP RATE ADJ REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ADJUSTED FOR COMP RATE ADJ REVENUE	\$ 137,776,435	\$ (58,133,239)	\$ 102,643,198	\$ -	\$ 2,294,975	\$ 104,938,170	\$ 1,664,328	\$ 106,602,498
PROFORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL PROFORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PROFORMA ADJUSTED	\$ 137,776,435	\$ (58,133,239)	\$ 102,643,198	\$ -	\$ 2,294,975	\$ 104,938,170	\$ 1,664,328	\$ 106,602,498

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 YEAR END RATE OF RETURN  
 For the 12 Months Ending December 31, 2019  
 INCOME STATEMENT

	(1) OPERATING REVENUES	(2) O & M GAS EXPENSE	(3) O & M OTHER	(4) DEPREC. & AMORTIZATION	(5) TAXES OTHER THAN INCOME	(6) INCOME TAXES CURRENT	(7) D.I.T. (NET)	(8) I.T.C. (NET)	(9) GAIN/LOSS ON DISPOSITION	(10) TOTAL OPERATING EXPENSES	(11) NET OPERATING INCOME
PER BOOKS	\$ 27,902,841	\$ 5,516,743	\$ 10,292,796	\$ 3,088,196	\$ 2,243,057	\$ 1,250,060				\$ 22,390,653	\$ 5,511,988
FISC ADJUSTMENTS:											
1) Interest Synchroization						31,698				31,698	(31,698)
2) Acquisition adjust.					(1,993)	489				(1,504)	1,504
3) Elim. Property Tax - Common Plant				(420)		103				(317)	317
4) Elim. Property Tax - Gas						5,255				(16,207)	16,207
5) Elim. Amort. O & M Expense						2,015				(6,203)	6,203
6) Elim. Depreciation Exp. Common Plant				(21,473)		409				(1,258)	1,258
7) Elim. Non-utility O & M						1,352				(4,735)	4,735
8) Elim. ind. Assoc dues						577				(1,778)	1,778
9) Elim. charitable contributions						1,144				3,520	
10) Elim. Social Activities						0					
11) Elim. promotional expenses						5,821				(4,577,332)	17,917
12) Interest Income	4,663				(705,711)	0				(961,336)	0
13) Interest Related Taxes (Franchise & PSC Assess)	(705,711)				(4,811)					(4,577,332)	17,917
14) Elim. Conservation Rev & Exp.	(961,335)	(956,524)			(22,934)					(82,160)	(74,440)
15) Elim. Swimming Service Expenses	(4,559,415)	(4,560,219)			(2,688)					(16,011)	(48,281)
16) Elim. Fideicm Gas Service	(156,600)									68,418	(68,418)
17) Remove Federal Return Booked for State Tax	(65,292)					(22,228)				85,356	282,723
18) Out of Period Prior Year Tax Docket											
19) Out of Period GRIP Refund	348,079					71,816				(6,187,394)	91,783
TOTAL FPSC ADJUSTMENTS	\$ (6,095,511)	\$ (5,516,743)	\$ (62,979)	\$ 59,650	\$ (738,137)	\$ 1,321,876				\$ (16,209,459)	\$ 5,603,771
FPSC ADJUSTED	\$ 21,807,230	\$ -	\$ 10,229,817	\$ 3,146,846	\$ 1,504,920	\$ -				\$ -	\$ -
COMP RATE ADJ REVENUES - DEFICIT(SURPLUS)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
ADJUSTED FOR COMP RATE ADJ REVENUES	\$ 21,807,230	\$ -	\$ 10,229,817	\$ 3,146,846	\$ 1,504,920	\$ -				\$ -	\$ -
PROFORM ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	\$ -
PRO FORMA ADJUSTED	\$ 21,807,230	\$ -	\$ 10,229,817	\$ 3,146,846	\$ 1,504,920	\$ -				\$ -	\$ -

AVERAGE	ADJUSTMENTS				ADJUSTED BOOKS	PRO-RATA	SPECIFIC	BALANCE	RATIO (%)	LOW POINT			MIDPOINT			HIGH POINT		
	PER BOOKS	NON-UTILITY	ADJUSTED BOOKS	PRO-RATA						COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)			
COMMON EQUITY			\$38,290,359	\$0	\$38,290,359	\$0	(\$249,880)	\$38,040,479	37.86%	9.80%	3.71%	10.80%	4.09%	11.80%	4.47%			
LONG TERM DEBT			\$24,253,761	\$0	\$24,253,761	\$0	(\$158,278)	\$24,095,483	23.98%	3.79%	0.91%	3.79%	0.91%	3.79%	0.91%			
SHORT TERM DEBT			\$18,582,408	\$0	\$18,582,408	\$0	(\$121,267)	\$18,461,141	18.37%	3.26%	0.60%	3.26%	0.60%	3.26%	0.60%			
SHORT TERM DEBT REFINANCED LTD			\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
CUSTOMER DEPOSITS			\$1,248,353	\$0	\$1,248,353	\$0	\$0	\$1,248,353	1.24%	2.31%	0.03%	2.31%	0.03%	2.31%	0.03%			
DEFERRED INCOME TAXES			\$18,627,088	\$0	\$18,627,088	\$0	\$0	\$18,627,088	18.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
TAX CREDITS - WEIGHTED COST			\$0	\$0	\$0	\$0	\$0	\$0	0.00%	5.22%	0.00%	5.60%	0.00%	5.98%	0.00%			
TOTAL AVERAGE	\$101,001,969	\$0	\$101,001,969	\$0	\$101,001,969	\$0	(\$529,426)	\$100,472,543	100.00%	5.25%	5.63%	5.63%	5.63%	6.01%	6.01%			

YEAR-END	ADJUSTMENTS				ADJUSTED BOOKS	PRO-RATA	SPECIFIC	BALANCE	RATIO (%)	LOW POINT			MIDPOINT			HIGH POINT		
	PER BOOKS	NON-UTILITY	ADJUSTED BOOKS	PRO-RATA						COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)			
COMMON EQUITY			\$39,386,856	\$0	\$39,386,856	\$0	(\$298,208)	\$39,088,648	36.67%	9.80%	3.59%	10.80%	3.96%	11.80%	4.33%			
LONG TERM DEBT			\$30,419,539	\$0	\$30,419,539	\$0	(\$230,314)	\$30,189,225	28.32%	3.00%	0.85%	3.00%	0.85%	3.00%	0.85%			
SHORT TERM DEBT			\$17,158,163	\$0	\$17,158,163	\$0	(\$129,909)	\$17,028,254	15.97%	3.50%	0.56%	3.50%	0.56%	3.50%	0.56%			
SHORT TERM DEBT REFINANCED LTD			\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
CUSTOMER DEPOSITS			\$1,348,654	\$0	\$1,348,654	\$0	\$0	\$1,348,654	1.27%	2.14%	0.03%	2.14%	0.03%	2.14%	0.03%			
DEFERRED INCOME TAXES			\$18,947,717	\$0	\$18,947,717	\$0	\$0	\$18,947,717	17.77%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
TAX CREDITS - WEIGHTED COST			\$0	\$0	\$0	\$0	\$0	\$0	0.00%	5.09%	0.00%	5.37%	0.00%	5.74%	0.00%			
TOTAL YEAR-END	\$107,260,928	\$0	\$107,260,928	\$0	\$107,260,928	\$0	(\$658,430)	\$106,602,498	100.00%	5.03%	5.40%	5.40%	5.40%	5.77%	5.77%			