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GATLIN, WOODS, CARLSON & COWDERY

Attorneys at Law

a partnership including a professional association

The Mahan Station
1709-D Mahan Drive
Tallahassee, Florida 32308

**ORIGINAL
FILE COPY**

TELEPHONE (904) 877-7191
TELECOPIER (904) 877-9031

B. KENNETH GATLIN, P.A.
THOMAS F. WOODS
JOHN D. CARLSON
KATHRYN G.W. COWDERY
WAYNE L. SCHIEFELBEIN

January 23, 1995

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399-0850

HAND DELIVERY

RE: Docket No. 950002-GU
Conservation Cost Recovery Clause

Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Chesapeake Utilities Corporation are an original and fifteen copies of the following:

00846-95

00847-95

1. Revised Petition of Chesapeake Utilities Corporation for Approval of Conservation Cost Recovery Factors;
2. Revised Direct Testimony of William M. Nettles;
3. Revised Exhibit WMN-2; and
4. our Certificate of Service.

ACK _____
 AFA 3 Please acknowledge receipt of the foregoing by stamping the
 APP enclosed extra copy of this letter and returning same to my
 attention. Thank you for your assistance.

CAR _____
 CMM _____
 CTR _____
 (EAB) Brady
 LER 1
 LIN 4 orig test.
 WES/ldv
 ENClosures
 ROH _____
 SEC 1
 WAS _____
 OTH _____

Sincerely,

Wayne L. Schiefelbein

RECEIVED & FILED
 WES
 FPSC-BUREAU OF RECORDS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In. Re: Conservation Cost Recovery Clause

REVISED DIRECT TESTIMONY OF WILLIAM M. NETTLES

On Behalf of

Chesapeake Utilities Corporation

DOCKET NO. 950002-EG

ORIGINAL
FILE COPY

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

9 A. My name is William M. Nettles, and my business address is 1015 6th Street N.
10 W., Winter Haven, Florida, 33881. I am employed by Chesapeake Utilities
11 Corporation ("Chesapeake") as Assistant Transportation & Exchange Coordinator
12 / Conservation Services Analyst.

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

16 A. Yes.

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

18 A. To describe generally the expenditures made and projected to be made in
19 implementing, promoting, and operating Chesapeake's energy conservation
20 programs. This will include recoverable costs incurred in October and
21 November, 1994 and revised projections of program costs to be incurred from
22 December, 1994 through September, 1995. It will also include projected
23 conservation costs for the period October 1, 1995 through March 31, 1996,
24 with a calculation of the conservation adjustment factors to be applied to the
25 customers' bills during the collection period of April 1, 1995 through March

DOCUMENT NUMBER-DATE

00847 JAN 23 88

FPSC-RECORDS/REPORTING

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DATE _____
BY _____
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1 31, 1996.

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

4 A. Yes. Summaries of the five programs are contained in Schedule C-4 of Revised
5 Exhibit WMN-2. Included are our Single and Multi-Family Home Builder
6 Program, our Water Heater Replacement Program, our Replacement of Electric
7 Strip and Oil Heating Program, our Natural Gas Space Conditioning Program,
8 and our Conservation Education Program.

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

12 A. Yes. Revised Schedule C-3 of Revised Exhibit WMN-2 shows actual expenses
13 for the months October and November, 1994. Revised projections for
14 December, 1994 through September, 1995, are also shown on Revised
15 Schedule C-3. Projected expenses for the October, 1995 through March, 1996
16 period are shown on Schedule C-2 of Revised Exhibit WMN-2.

17 Q. Have you prepared schedules which show revenues for the period October,
18 1994 through March, 1995?

19 A. Yes. Revised Schedule C-3 (Page 6 of 7, Line 4) shows actual revenues for the
20 months October and November, 1994. Projections for December, 1994
21 through September, 1995, are also shown on Revised Schedule C-3 (Page 6 of
22 7, Line 4).

23 Q. Have you prepared a schedule which shows the calculation of Chesapeake's
24 proposed conservation adjustment factors to be applied during billing periods
25 from April 1, 1995 through March, 31, 1996?

1 A. Yes. Revised Schedule C-1 of Revised Exhibit WMN-2 shows this calculation.
2 Net program cost estimates for the period October 1, 1995, through March 31,
3 1996, are used. The estimated true-up amount from Revised Schedule C-3
4 (Page 6 of 7, Line 12) of Revised Exhibit WMN-2, being an underrecovery, was
5 added to the total of the projected costs for the six-month period. The total
6 amount was then divided among Chesapeake's firm rate classes, based on total
7 projected contribution. The results were then divided by the projected retail
8 firm therm sales for each rate class for the twelve-month period ending March
9 31, 1996. The resulting factors are shown on Revised Schedule C-1 of Revised
10 Exhibit WMN-2.

11 Q. Does this conclude your testimony?

12 A. Yes, it does.

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Revised Exhibit _____ (WMN-2)

CHESAPEAKE UTILITIES CORPORATION
CONSERVATION COST RECOVERY PROJECTION
October 1, 1995 through March 31, 1996

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION
 OCTOBER 1995 THROUGH MARCH 1996

 PROJECTED PERIOD: OCTOBER 1995 THROUGH MARCH 1996
 ACTUAL/ESTIMATED PERIOD: OCTOBER 1994 THROUGH SEPTEMBER 1995
 FINAL TRUE-UP PERIOD: OCTOBER 1993 THROUGH SEPTEMBER 1994
 COLLECTION PERIOD FOR PRIOR TRUE-UP: APRIL 1995 THROUGH MARCH 1996

1. INCREMENTAL COSTS (SCHEDULE C-2)	124,393
2. TRUE-UP (SCHEDULE C-3)	<u>192,188</u>
3. TOTAL	<u>316,581</u>

RATE CLASS	BILLS	THERM SALES	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	CENTS PER THERM	EXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
GS RESIDENTIAL	88,300	2,075,943	573,950	895,271	1,469,221	107,733	7.3327%	0.0519	1.01911	0.05289
GS COMMERCIAL	9,166	4,246,581	137,490	829,442	966,932	70,902	7.3327%	0.0167	1.01911	0.01702
GS COMMERCIAL LV	246	1,545,311	4,920	208,076	212,996	15,618	7.3327%	0.0101	1.01911	0.01030
GS INDUSTRIAL	312	8,777,216	12,480	644,950	657,430	48,207	7.3327%	0.0055	1.01911	0.00560
FIRM TRANSPORTATIO	0	13,756,597	0	1,010,835	1,010,835	74,121	7.3327%	0.0054	1.01911	0.00549
OTHER										
OTHER										
TOTAL	98,024	30,401,648	728,840	3,588,574	4,317,414	316,581				

PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1995 THROUGH MARCH 1996

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. HOME BUILDER PROGRAM	0	14,660	0	1,928	44,376	0	2,745	0	63,709
2. WATER HEATER REPLACEMENT	0	7,069	0	10,769	7,260	0	928	0	26,026
3. HOME HEATING REPLACE	0	5,839	0	10,769	5,940	0	542	0	23,090
4. CONSERVATION EDUCATION	0	0	0	0	0	0	0	0	0
5. COMMON COSTS	0	0	0	0	0	2,172	0	0	2,172
6. GAS SPACE CONDITIONING	0	1,819	0	1,326	6,250	0	0	0	9,395
7. (INSERT NAME)	0	0	0	0	0	0	0	0	0
8. (INSERT NAME)	0	0	0	0	0	0	0	0	0
9. (INSERT NAME)	0	0	0	0	0	0	0	0	0
10. (INSERT NAME)	0	0	0	0	0	0	0	0	0
11. (INSERT NAME)	0	0	0	0	0	0	0	0	0
12. (INSERT NAME)	0	0	0	0	0	0	0	0	0
13. (INSERT NAME)	0	0	0	0	0	0	0	0	0
14. (INSERT NAME)	0	0	0	0	0	0	0	0	0
15. (INSERT NAME)	0	0	0	0	0	0	0	0	0
16. (INSERT NAME)	0	0	0	0	0	0	0	0	0
17. (INSERT NAME)	0	0	0	0	0	0	0	0	0
18. (INSERT NAME)	0	0	0	0	0	0	0	0	0
19. (INSERT NAME)	0	0	0	0	0	0	0	0	0
20. (INSERT NAME)	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	0	29,387	0	24,793	63,826	2,172	4,215	0	124,393
LESS: AMOUNT IN RATE BASE	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSER.	0	29,387	0	24,793	63,826	2,172	4,215	0	124,393

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1994 THROUGH SEPTEMBER 1995
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. HOME BUILDER PROGRAM									
A. ACTUAL	0	4,791	0	630	14,576	0	897	0	20,894
B. ESTIMATED	0	23,956	0	3,150	72,880	0	4,485	0	104,471
C. TOTAL	0	28,747	0	3,780	87,456	0	5,382	0	125,365
2. WATER HEATER REPLACEMENT									
A. ACTUAL	0	2,310	0	3,519	2,365	0	303	0	8,498
B. ESTIMATED	0	11,550	0	17,597	11,825	0	1,517	0	42,490
C. TOTAL	0	13,861	0	21,117	14,190	0	1,821	0	50,988
3. HOME HEATING REPLACE									
A. ACTUAL	0	1,908	0	3,519	1,870	0	177	0	7,475
B. ESTIMATED	0	9,541	0	17,597	9,350	0	885	0	37,373
C. TOTAL	0	11,449	0	21,117	11,220	0	1,062	0	44,847
4. CONSERVATION EDUCATION									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
5. COMMON COSTS									
A. ACTUAL	0	0	0	0	0	893	0	0	893
B. ESTIMATED	0	0	0	0	0	2,873	0	0	2,873
C. TOTAL	0	0	0	0	0	3,765	0	0	3,765
6. GAS SPACE CONDITIONING									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	2,376	0	1,736	12,500	0	0	0	16,612
C. TOTAL	0	2,376	0	1,736	12,500	0	0	0	16,612
7. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
SUB-TOTAL	0	56,432	0	47,749	125,366	3,765	8,265	0	241,578

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1994 THROUGH SEPTEMBER 1995
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
BALANCE FROM PREVIOUS PAGE	0	56,432	0	47,749	125,366	3,765	8,265	0	241,578
8. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
9. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
10. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
11. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
12. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
13. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
SUB-TOTAL	0	56,432	0	47,749	125,366	3,765	8,265	0	241,578

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1994 THROUGH SEPTEMBER 1995
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
BALANCE FROM PREVIOUS PAGE	0	56,432	0	47,749	125,366	3,765	8,265	0	241,578
14. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
15. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
16. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
17. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
18. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
19. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
20. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
TOTAL PROG. COSTS	0	56,432	0	47,749	125,366	3,765	8,265	0	241,578
LESS: BASE RATE RECOVERY	0	0	0	0	0	0	0	0	0
NET PROG. COSTS	0	56,432	0	47,749	125,366	3,765	8,265	0	241,578

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR PERIOD: OCTOBER 1994 THROUGH SEPTEMBER 1995
TWO MONTHS ACTUAL AND 10 MONTHS ESTIMATED

CONSERVATION REVS	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO. 7	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
1. RCS AUDIT FEE	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROG. REVS.	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS	(8,863)	(11,657)	(13,615)	(16,971)	(15,832)	(12,573)	0	0	0	0	0	0	(79,511)
4. TOTAL REVENUES	(8,863)	(11,657)	(13,615)	(16,971)	(15,832)	(12,573)	0	0	0	0	0	0	(79,511)
5. PRIOR PERIOD TRUE- UP NOT APPLICABLE TO THIS PERIOD	2,079	2,079	2,079	2,079	2,079	2,079	2,079	2,079	2,079	2,079	2,079	2,079	24,948
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(6,784)	(9,578)	(11,536)	(14,892)	(13,753)	(10,494)	2,079	2,079	2,079	2,079	2,079	2,079	(54,563)
7. CONSERV. EXPS.	12,871	24,889	18,721	20,566	20,566	20,566	20,566	20,566	20,566	20,566	20,566	20,566	241,578
8. TRUE-UP THIS PERIOD	6,087	15,311	7,185	5,675	6,813	10,072	22,645	22,645	22,645	22,645	22,645	22,645	187,015
9. INTER. PROVISION THIS PERIOD	113	158	219	249	271	305	378	483	589	695	802	910	5,173
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	24,948	29,069	42,459	47,784	51,629	56,635	64,932	85,877	106,926	128,082	149,343	170,712	24,948
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	(2,079)	(2,079)	(2,079)	(2,079)	(2,079)	(2,079)	(2,079)	(2,079)	(2,079)	(2,079)	(2,079)	(2,079)	(24,948)
12. TOTAL NET TRUE-UP	29,069	42,459	47,784	51,629	56,635	64,932	85,877	106,926	128,082	149,343	170,712	192,188	192,188

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR PERIOD: OCTOBER 1994 THROUGH SEPTEMBER 1995
TWO MONTHS ACTUAL AND 10 MONTHS ESTIMATED

INTEREST PROVISION	MONTH NO.1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO. 7	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
1. BEGINNING TRUE-UP	24,948	29,069	42,459	47,784	51,629	56,635	64,932	85,877	106,926	128,082	149,343	170,712	
2. ENDING TRUE-UP BEFORE INTEREST	28,956	42,301	47,565	51,380	56,363	64,628	85,499	106,443	127,493	148,648	169,910	191,278	
3. TOTAL BEGINNING & ENDING TRUE-UP	53,904	71,370	90,024	99,164	107,992	121,262	150,431	192,320	234,419	276,730	319,253	361,990	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	26,952	35,685	45,012	49,582	53,996	60,631	75,216	96,160	117,209	138,365	159,627	180,995	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	5.04%	5.00%	5.66%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	5.00%	5.66%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%
7. TOTAL (SUM LINES 5 & 6)	10.04%	10.66%	11.69%	12.06%	12.06%	12.06%	12.06%	12.06%	12.06%	12.06%	12.06%	12.06%	12.06%
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	5.02%	5.33%	5.85%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%	6.03%
9. MONTHLY AVG INTEREST RATE	0.42%	0.44%	0.49%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
10. INTEREST PROVISIO	113	158	219	249	271	305	378	483	589	695	802	910	5,173

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION

Program Title: Single and Multi-Family 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 allowances to assist builders in defraying the additional costs associated with the piping and venting of natural gas equipment.

Program Allowances:

\$220.00	per energy efficient natural gas water heater
\$220.00	per energy efficient natural gas furnace
\$ 38.00	per energy efficient natural gas range or dryer outlet

Program Projections:

For the two month period October through November, 1994, 17 residences qualified under our home builder program. We estimate an additional 145 homes will qualify during the period December, 1994 through September, 1995. We estimate that 50% of these will also be equipped with either a natural gas range or a natural gas clothes dryer outlet.

Program Fiscal Expenditures:

For the two month period October through November, 1994, CUC incurred costs of \$20,894 for the Home Builder Program. For December, 1994 through September, 1995, costs are estimated to be \$104,471.

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION

Program Title: Water Heater Replacement Program

Program Description:

This program is designed to encourage the replacement of electric resistance water heaters with energy efficient natural gas water heaters. Incentives are offered in the form of allowances to help defray the cost of additional piping and venting associated with the installation of natural gas.

Program Allowances:

\$220.00	per energy efficient natural gas water heater
\$ 33.00	per installing dealer

Program Projections:

For the two months October and November, 1994, we paid allowances on 10 new natural gas water heaters. We estimate an additional 46 water heaters will be installed during the period December, 1994 through September, 1995.

Program Fiscal Expenditures:

During the months October and November, 1994, the costs incurred by the Water Heater Replacement Program totaled \$8,498. For the December, 1994 through September, 1995 period, costs are expected to be \$42,490.

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION

Program Title: Replacement of Electric Strip and Oil Heating Program

Program Description:

This program is designed to reduce KWD and KWH consumption, and the direct use of oil, by encouraging the replacement of electric strip and oil heating equipment with energy efficient natural gas furnaces.

Program Allowances:

\$330.00	per energy efficient natural gas furnace
\$ 55.00	per installing dealer (furnace)
\$ 55.00	per spark ignition natural gas space heater
\$ 22.00	per installing dealer (space heater)

Program Projections:

For the period October and November, 1994, 8 new natural gas furnaces were installed to replace existing electric or oil furnaces. We anticipate that 24 energy efficient furnaces will be installed from December, 1994 through September, 1995.

Program Fiscal Expenditures:

During the months October and November 1994, expenditures of \$7,475 were incurred by the Electric Strip/Oil Heating Replacement Program. Costs for the period December, 1994 through September, 1995, are expected to be \$37,373.

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION

Program Title: Natural Gas Space Conditioning Program

Program Description:

This 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.

Program Allowances:

\$ 50.00 per ton of natural gas space conditioning equipment installed

Program Projections:

For the period October and November, 1994, no allowances were paid for this new program. We anticipate that 250 tons of natural gas space conditioning equipment will be installed from December, 1994 through September, 1995.

Program Fiscal Expenditures:

During the months October and November 1994, no expenditures were incurred by the Natural Gas Space Conditioning Program. Costs for the period December, 1994 through September, 1995, are expected to be \$16,612.

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION

Program Title: Conservation Education Program

Program Description:

This program teaches young people and adults in the schools and in community and civic organizations about conservation of energy and seeks to establish an awareness of natural gas as a valuable energy resource.

Program Projections:

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

Program Fiscal Expenditures:

None this period and none planned for the balance of the period from December, 1994 through September, 1995.