

Exhibit _____ (WMN-1)

CHESAPEAKE UTILITIES CORPORATION

FLORIDA DIVISION

CONSERVATION COST RECOVERY TRUE-UP

October 1, 1994 through September 30, 1995

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 960002-EI EXHIBIT NO. 1
COMPANY/ Chesapeake/Nettles
WITNESS: 2/21/96
DATE: 2/21/96

DOCUMENT NUMBER-DATE

10703 OCT 31 95

FPSC-RECORDS/REPORTING

CONTENTS

Schedule CT-1		
(1 of 1)	Adjusted Net True-up	1
Schedule CT-2		
(1 of 3)	Analysis of Energy Conservation Program Costs - Actual vs. Estimated	2
(2 of 3)	Actual Conservation Program Costs per Program	3
(3 of 3)	Conservation Costs Per Program - Variance Actual Versus 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 for October 1994 through September 1995	9
Schedule CT-6		
(1 of 5)	Program Description and Progress - Single & Multi-Family Home Builder Program	10
(2 of 5)	Program Description and Progress - Water Heater Replacement Program	11
(3 of 5)	Program Description and Progress - Electric Strip and Oil Heating Replacement	12
(4 of 5)	Program Description and Progress - Conservation Education Program	13
(5 of 5)	Program Description and Progress - Natural Gas Space Conditioning Program	14

SCHEULE CT-1

COMPANY: Chesapeake Utilities Corporation
Docket No. 950002-EG
Exhibit WMN-1
Page 1 of 14

ADJUSTED NET TRUE-UP
FOR MONTHS: OCTOBER 1994 THROUGH SEPTEMBER 1995

END OF PERIOD NET TRUE-UP

PRINCIPLE	52,324	
INTEREST	<u>2,744</u>	55,068

LESS PROJECTED TRUE-UP

PRINCIPLE	187,015	
INTEREST	<u>5,173</u>	<u>192,188</u>

ADJUSTED NET TRUE-UP (137,120)

() REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED

OCTOBER 1994 THROUGH SEPTEMBER 1995

	ACTUAL	PROJECTED*	DIFFERENCE
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	51,720	56,433	(4,713)
MATERIALS & SUPPLIES	9	0	9
ADVERTISING	36,377	47,749	(11,372)
INCENTIVES	134,664	125,366	9,298
OUTSIDE SERVICES	4,664	3,765	899
VEHICLES	5,792	8,265	(2,473)
OTHER	137	0	137
SUB-TOTAL	233,363	241,578	(8,215)
PROGRAM REVENUES	0	0	0
TOTAL PROGRAM COSTS	233,363	241,578	(8,215)
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(181,039)	(54,563)	(126,476)
ROUNDING ADJUSTMENT	0	0	0
TRUE-UP BEFORE INTEREST	52,324	187,015	(134,691)
INTEREST PROVISION	2,744	5,173	(2,429)
END OF PERIOD TRUE-UP	55,068	192,188	(137,120)

() REFLECTS OVER-RECOVERY

* 2 MONTHS ACTUAL AND 10 MONTHS PROJECTED

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
FOR MONTHS: OCTOBER 1994 THROUGH SEPTEMBER 1995

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: Single & Multi-Family Home Builder	0	26,740	9	4,588	116,867	0	3,426	0	151,630
PROGRAM 2: Water Heater Replacement	0	13,706	0	15,975	9,217	0	1,388	137	40,423
PROGRAM 3: Oil & Electric Strip Heat Replaceme	0	11,274	0	15,814	8,580	0	978	0	36,646
PROGRAM 4: Conservation Education	0	0	0	0	0	0	0	0	0
PROGRAM 5: Natural Gas Space Conditioning	0	0	0	0	0	0	0	0	0
PROGRAM 6: Common Costs	0	0	0	0	0	4,664	0	0	4,664
PROGRAM 7: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 8: (TYPE NAME HERE)	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	0	51,720	9	36,377	134,664	4,664	5,792	137	233,363

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
FOR MONTHS: OCTOBER 1994 THROUGH SEPTEMBER 1995

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: Single & Multi-Family Home Builder	0	(2,007)	9	808	29,411	0	(1,956)	0	26,205
PROGRAM 2: Water Heater Replacement	0	(155)	0	(5,141)	(4,973)	0	(433)	137	(10,565)
PROGRAM 3: Oil & Electric Strip Heat Replaceme	0	(175)	0	(5,303)	(2,640)	0	(84)	0	(8,202)
PROGRAM 4: Conservation Education	0	0	0	0	0	0	0	0	0
PROGRAM 5: Gas Space Conditioning	0	(2,376)	0	(1,736)	(12,500)	0	0	0	(16,612)
PROGRAM 6: Common Costs	0	0	0	0	0	899	0	0	899
PROGRAM 7: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 8: (TYPE NAME HERE)	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	0	(4,713)	9	(11,372)	9,298	899	(2,473)	137	(8,215)

() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR MONTHS: OCTOBER 1994 THROUGH SEPTEMBER 1995

EXPENSES:	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
PROGRAM 1:	6,650	14,244	21,586	2,855	13,856	11,228	9,322	16,188	15,818	3,701	15,169	20,951	151,630
PROGRAM 2:	3,114	5,384	3,104	1,617	4,945	3,636	3,079	3,806	3,909	1,183	2,785	3,859	40,423
PROGRAM 3:	2,882	4,583	2,617	1,698	3,642	3,429	2,704	3,618	4,418	940	2,840	3,255	36,646
PROGRAM 4:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 5:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 6:	225	668	641	0	1,291	1,502	105	75	0	97	0	60	4,664
PROGRAM 7:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 8:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 9:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 10:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 11:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 12:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 13:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 14:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 15:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 16:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 17:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 18:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 19:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 20:	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	12,871	24,889	27,948	6,170	23,736	19,795	15,210	23,689	24,145	5,981	20,794	28,135	233,363
LESS AMOUNT INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSERVATION EXPENSES	12,871	24,889	27,948	6,170	23,736	19,795	15,210	23,689	24,145	5,981	20,794	28,135	233,363

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR MONTHS: OCTOBER 1994 THROUGH SEPTEMBER 1995

CONSERVATION REVENUES	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	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	(8,863)	(11,657)	(12,844)	(18,259)	(18,903)	(14,140)	(26,644)	(21,904)	(18,513)	(17,626)	(18,429)	(18,205)	(205,987)
4. TOTAL REVENUES	(8,863)	(11,657)	(12,844)	(18,259)	(18,903)	(14,140)	(26,644)	(21,904)	(18,513)	(17,626)	(18,429)	(18,205)	(205,987)
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. CONSERVATION REVS APPLICABLE TO THE PERIOD	(6,784)	(9,578)	(10,765)	(16,180)	(16,824)	(12,061)	(24,565)	(19,825)	(16,434)	(15,547)	(16,350)	(16,126)	(181,039)
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	12,871	24,889	27,948	6,170	23,736	19,795	15,210	23,669	24,145	5,081	20,794	28,135	233,363
8. TRUE-UP THIS PERIOD	6,067	15,311	17,183	(10,010)	6,912	7,734	(9,355)	3,864	7,711	(9,566)	4,444	12,009	52,324
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	113	158	244	262	245	273	260	236	257	239	212	245	2,744
10. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	24,948	29,069	42,459	57,807	45,979	51,057	56,986	45,812	47,833	53,722	42,316	44,893	
11. PRIOR TRUE-UP COLLECTED (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)	
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	29,069	42,459	57,807	45,979	51,057	56,986	45,812	47,833	53,722	42,316	44,893	55,068	55,068

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR MONTHS: OCTOBER 1994 THROUGH SEPTEMBER 1995

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	57,807	45,979	51,057	56,986	45,812	47,833	53,722	42,316	44,893	
2. ENDING TRUE-UP BEFORE INTEREST	28,956	42,301	57,563	45,718	50,812	56,712	45,552	47,597	53,465	42,077	44,681	54,823	
3. TOTAL BEGINNING & ENDING TRUE-UP	53,904	71,369	100,022	103,525	96,792	107,770	102,537	93,409	101,299	95,799	86,997	99,716	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	26,952	35,685	50,011	51,762	48,396	53,885	51,269	46,705	50,649	47,900	43,498	49,858	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	5.040%	5.000%	5.660%	6.030%	6.100%	6.050%	6.120%	6.070%	6.070%	6.100%	5.860%	5.840%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	5.000%	5.860%	6.030%	6.100%	6.050%	6.120%	6.070%	6.070%	6.100%	5.860%	5.840%	5.940%	
7. TOTAL (SUM LINES 5 & 6)	10.040%	10.860%	11.690%	12.130%	12.150%	12.170%	12.190%	12.140%	12.170%	11.960%	11.700%	11.780%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	5.020%	5.330%	5.845%	6.065%	6.075%	6.085%	6.095%	6.070%	6.085%	5.980%	5.850%	5.890%	
9. MONTHLY AVG INTEREST RATE	0.418%	0.444%	0.487%	0.505%	0.506%	0.507%	0.508%	0.506%	0.507%	0.498%	0.488%	0.491%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	113	158	244	262	245	273	260	236	257	239	212	245	2,744

Exhibit No. _____
Docket No. 950002-EG
CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
(WMN-1)
Page 9 of 14

Schedule CT-5

CHESAPEAKE UTILITIES CORPORATION

FLORIDA DIVISION

Reconciliation and Explanation of Differences Between Filing
and PSC Audit Report for October 1994 through September 1995

NO DIFFERENCES AS OF THE DATE OF THIS FILING

Schedule CT-6
Page 1 of 5

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
Program Description and Progress

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 gas appliance piping and venting allowances to assist builders with gas appliance installation.

Allowances:

Conservation allowances are currently:

\$220.00	energy-efficient natural gas water heater installation
\$220.00	natural gas home heating
\$ 38.00	energy-efficient natural gas range or dryer outlet

Program Accomplishments:

For the twelve-month period October, 1994 through September, 1995, we estimated that 200 new homes would be connected to the system. During this period, allowances were actually paid for building 241 new homes equipped with natural gas appliances.

Program Fiscal Expenditures:

During the twelve-month period, expenditures for this program totalled \$151,630.

Program Progress Summary:

Since the program's inception, 3,029 new homes have been equipped with efficient 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 5

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
Program Description and Progress

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. For the period October, 1994 through September, 1995, the program offered incentives of \$220.00 to homeowners and \$33.00 to installing dealers to assist in defraying the increased cost of piping and venting associated with gas water heater installations.

Program Accomplishments:
During the twelve-month period, October 1994 through September 1995, we estimated that 32 homeowners would replace their electric water heaters with energy-efficient natural gas models. In actuality, 40 water heaters were installed during this period.

Program Fiscal Expenditures:
Program costs totalled \$40,423 during the twelve-month period.

Program Progress Summary:
Since the program's inception, 901 natural gas water heaters have replaced electric models as a result of conservation allowances.

Schedule CT-6
Page 3 of 5

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
Program Description and Progress

Program Title:

Electric Strip and Oil Heating Replacement

Program Description:

From October, 1994 through September 1995, the company offered incentives of \$330.00 to homeowners and \$55.00 to installing dealers to offset the additional costs of piping and venting required for natural gas heating. The company also offered piping and venting allowances of \$55.00 to homeowners and \$22.00 to installing dealers when installing a natural gas heater to replace oil or electric heat.

Program Accomplishments:

For the twelve-month period from October 1994 through September 1995, we estimated that 48 natural gas furnaces and space heaters would replace electric or oil heat. During this period, 24 homeowners actually converted to natural gas heat.

Program Fiscal Expenditures:

Program costs totalled \$36,646 during the twelve-month period.

Program Progress Summary:

Since the program's inception, 335 energy-efficient natural gas furnaces and space heaters have replaced electric or oil-burning models as a result of conservation allowances.

Schedule CT-6
Page 4 of 5

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
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 bills.

Program Accomplishments:
We continue to offer no-cost walk-through energy audits on the proper use of natural gas appliances and conservation tips to new gas customers, together with literature outlining the expected savings from using natural gas appliances when compared to electricity.

Program Fiscal Expenditures:
None

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

Schedule CT-6
Page 5 of 5

CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION
Program Description and Progress

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 Accomplishments:

No natural gas space conditioning units were installed which utilized the allowances available through this program.

Program Fiscal Expenditures:

None

Program Progress Summary:

No natural gas space conditioning units have been installed since this program began.