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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

AUG 24 PM 3: 22

RECORDS AND REPORTING

In Re: Purchased Gas Adjustment)

Docket No. 000003-GU

(PGA) True-up)

PETITION OF THE FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION

FOR APPROVAL OF MID-COURSE CORRECTION TO PGA CAP

The Florida Division of Chesapeake Utilities Corporation ("the Company"), by and through its undersigned counsel, hereby files its petition for approval of a revision, through a mid-course correction, to its purchased gas adjustment ("PGA") cap to be applied to bills rendered for meter readings taken beginning October 1, 2000 through December 31, 2000, inclusive, and in support thereof says:

1. The name and address of the Petitioner are:

Chesapeake Utilities Corporation
Florida Division
P.O. Box 960
Winter Haven, FL 33882-0960

2. The name, address, telephone and fax numbers of the person authorized to receive

notices, pleadings, correspondence and other communications with respect to this

Petition are:

Wayne L. Schiefelbein
Wiggins & Villacorta
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FPSC-RECORDS/REPORTING

3. The Commission has adopted a method for the recovery of purchased gas costs by regulated natural gas utilities to be used for the recovery of such costs through the calendar year commencing January 1, and ending December 31. For calendar year 2000, each investor-owned natural gas utility has been assigned a levelized PGA factor, which serves as a cap, or maximum recovery factor.
4. By Order No. PSC-93-0708-FOF-GU, issued on May 10, 1993, the Commission determined that a utility may, at its option, request a mid-course correction if re-projected expenses for the remainder of the period significantly exceed projected revenues for the period, when using the Commission-approved cap.
5. By Order No. PSC-99-2443-FOF-GU, issued on December 14, 1999, the Commission approved the Company's levelized PGA cap of \$0.46424 per therm for the period January through December 2000. This factor was based on the Company's projected purchased gas costs for the 12-month projection period (including the true-up for the period January through December 1999) of \$ 9,297,214 and total sales of 23,543,170 therms. Although the factor was approved in mid-December 1999, the projections on which the factor was based were made in September 1999.
6. As indicated by the revised Schedules E-1 and E-2 (attached hereto as Appendix 1), the Company's re-projected expenses for calendar year 2000 would exceed revenues (calculated using the Company's currently-approved PGA cap) by approximately twenty percent (20%). At current gas prices, the Company projects that its expenses for the period will exceed such revenues for the same period by \$1,956,029.

7. The primary reason for the Company's expenses exceeding revenues by twenty percent (20%) is that subsequent to Commission approval of the Company's PGA cap in December, 1999, significantly increased demand for gas has caused an unanticipated increase in gas costs on a national basis. There are currently no indications that natural gas prices will experience any meaningful decrease in the next several months.
8. The Company therefore requests that the Commission approve an increase in its PGA cap from \$0.46424 per therm to \$0.65000 cents per therm. As shown on Schedules E-1 and E-2 (attached hereto as Appendix 2), the Company's proposed increase would reduce the projected PGA revenue shortfall for calendar year 2000 from \$1,956,029 to \$ 920,677.
9. Because of the need to reduce the projected underrecovery of expenses, it is necessary that the increased cap be approved for application to ratepayers' bills beginning immediately. The Commission has previously approved mid-course corrections to become effective at earlier dates under similar circumstances when the amount of the projected underrecovery was substantial. See, for example, Order No. PSC-94-0207-FOF-GU (February 21, 1994), approving an increase in the authorized purchase gas adjustment factor (or cap) for West Florida Natural Gas Company. See also, Order No. PSC-92-0271-FOF-EI (April 29, 1992), approving a decrease in the fuel adjustment factors for Florida Power Corporation, and Order No. 2135 (June 5, 1989), approving an increase in the fuel adjustment factors for Florida Power & Light Company. More recently, the Commission has approved mid-course increases in the approved PGA caps for City Gas Company of Florida (Order No. PSC-00-1422-PCO-

GU, issued on August 3, 2000), South Florida Natural Gas (Order No. PSC-00-1523-PCO-GU, issued on August 22, 2000), and Tampa Electric Company d/b/a Peoples Gas System (Order No. PSC-00-1524-PCO-GU, also issued on August 22, 2000).

10. The Company acknowledges that there will not be time for the Commission to conduct a prudence review of the Company's re-projections of purchased gas costs prior to the implementation of the increase in the PGA factor as sought by this petition. However, such prudence review will occur as a matter of course at the hearing to be held in this docket in November 2000. If the increase in the cost recovery cap proposed herein is ultimately found imprudent, the Company's ratepayers will suffer no harm, since any costs found to be imprudent will be disallowed for recovery (and such disallowance will flow to the ratepayers through the true-up mechanism which is an integral part of the procedures in this docket). On the other hand, if the proposed mid-course correction is not implemented and the Company's costs are found to have been prudently incurred, the Company would be entitled to collect interest from its ratepayers on the amount of the underrecovery, thereby further increasing the cost of gas to the ratepayers.

Wherefore, the Florida Division of Chesapeake Utilities Corporation requests that the Commission enter its order approving an increase in the Florida Division's maximum PGA factor (or cap), for application to bills rendered for meter readings taken beginning October 1, 2000 through December 31, 2000, inclusive.

Respectfully submitted,

A handwritten signature in black ink, reading "Wayne L. Schiefelbein", written over a horizontal line.

Wayne L. Schiefelbein
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Attorneys for the Florida Division of
Chesapeake Utilities Corporation

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by hand delivery on this 24th day of August, 2000 to WILLIAM COCHRAN KEATING, IV, ESQ., Division of Legal Services, Florida Public Service Commission, Gerald L. Gunter Building, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, and by regular U.S. Mail to the following:

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Wayne L. Schiefelbein

COMPANY: CHESAPEAKE UTILITIES CORPORATION
 TOTAL COMPANY
 ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD:

PURCHASED GAS ADJUSTMENT
 COST RECOVERY CLAUSE CALCULATION
 JAN 2000 Through DEC 2000

Appendix 1
 Without Modification

SCHEDULE E-1
 EXHIBIT NO. _____
 DOCKET NO. 990003-GU
 CHESAPEAKE UTILITIES CORP.
 JAW-2
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	ACTUAL		ACTUAL		ACTUAL		ACTUAL		ACTUAL		ACTUAL		PROJECT	PROJECT	PROJECT	PROJECT	PROJECT	TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC						
COST OF GAS PURCHASED																		
1 COMMODITY (Pipeline)	8,455	6,887	7,697	6,603	6,485	6,580	5,162	6,001	5,674	5,555	6,420	6,261						77,779
2 NO NOTICE SERVICE	5,103	3,762	1,829	1,770	1,829	1,770	1,829	1,829	1,770	1,829	1,770	3,043						28,133
3 SWING SERVICE	146,174	25,296	0	0	185,095	28,191	0	0	0	0	0	0						384,756
4 COMMODITY (Other)	595,918	594,092	548,313	582,247	649,188	1,064,499	658,260	807,909	763,825	747,841	864,272	842,848						8,719,212
5 DEMAND	226,199	213,664	241,568	216,119	111,965	165,131	137,169	154,944	154,152	216,806	267,610	264,657						2,369,984
6 OTHER	0	0	(100)	0	0	0	0	0	0	0	0	0						(100)
LESS END-USE CONTRACT																		
7 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0						0
8 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0						0
9	0	0	0	0	0	0	0	0	0	0	0	0						0
10	0	0	0	0	0	0	0	0	0	0	0	0						0
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	981,849	843,701	799,307	806,739	954,562	1,266,171	802,420	970,683	925,421	972,030	1,140,072	1,116,808						11,579,764
12 NET UNBILLED	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A						N/A
13 COMPANY USE	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A						N/A
14 TOTAL THERM SALES	737,705	835,353	731,875	662,568	698,332	1,050,555	687,870	846,025	799,847	783,103	905,067	882,625						9,620,924
THERMS PURCHASED																		
15 COMMODITY (Pipeline) BILLING DETERMINANTS ONLY	2,536,150	2,125,230	2,361,310	2,109,630	1,923,880	1,960,100	1,568,090	1,822,988	1,723,516	1,687,449	1,950,167	1,901,825						23,670,335
16 NO NOTICE SERVICE BILLING DETERMINANTS ONLY	864,900	637,710	310,000	300,000	310,000	300,000	310,000	310,000	300,000	310,000	300,000	515,840						4,768,450
17 SWING SERVICE COMMODITY	242,840	40,640	0	0	0	29,700	0	0	0	0	0	0						313,180
18 COMMODITY (Other) COMMODITY	2,474,563	2,405,872	2,226,377	2,123,904	1,868,265	2,404,435	1,485,316	1,822,988	1,723,516	1,687,449	1,950,167	1,901,825						24,074,677
19 DEMAND BILLING DETERMINANTS ONLY	2,371,810	2,826,050	3,417,440	3,278,100	1,718,640	2,084,100	2,385,330	4,197,399	4,027,668	3,682,500	3,256,560	4,138,825						37,384,422
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0						0
LESS END-USE CONTRACT																		
21 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0						0
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0						0
23	0	0	0	0	0	0	0	0	0	0	0	0						0
24 TOTAL PURCHASES (+17+18+20)-(21+23)	2,717,403	2,446,512	2,226,377	2,123,904	1,868,265	2,434,135	1,485,316	1,822,988	1,723,516	1,687,449	1,950,167	1,901,825						24,387,857
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0						0
26 COMPANY USE	0	0	0	0	0	0	0	600	600	600	600	600						3,000
27 TOTAL THERM SALES	2,123,554	2,201,196	1,931,176	1,664,291	1,832,381	2,278,317	1,491,771	1,822,388	1,722,916	1,686,849	1,949,567	1,901,225						22,605,631
CENTS PER THERM																		
28 COMMODITY (Pipeline) (1/15)	0.333	0.324	0.326	0.313	0.337	0.336	0.329	0.329	0.329	0.329	0.329	0.329						0.329
29 NO NOTICE SERVICE (2/16)	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590						0.590
30 SWING SERVICE (3/17)	60.194	62.244	0.000	0.000	0.000	94.919	0.000	0.000	0.000	0.000	0.000	0.000						122.855
31 COMMODITY (Other) (4/18)	24.082	24.693	24.628	27.414	34.748	44.272	44.318	44.318	44.318	44.318	44.318	44.318						36.217
32 DEMAND (5/19)	9.537	7.561	7.069	6.593	6.515	7.923	5.751	3.691	3.827	5.887	8.218	6.394						6.339
33 OTHER (6/20)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000						0.000
LESS END-USE CONTRACT																		
34 COMMODITY Pipeline (7/21)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000						0.000
35 DEMAND (8/22)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000						0.000
36 (9/23)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000						0.000
37 TOTAL COST (11/24)	36.132	34.486	35.902	37.984	51.094	52.017	54.024	53.247	53.694	57.604	58.460	58.723						47.482
38 NET UNBILLED (12/25)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000						0.000
39 COMPANY USE (13/26)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000						0.000
40 TOTAL THERM SALES (11/27)	46.236	38.329	41.390	48.473	52.094	55.575	53.790	53.264	53.712	57.624	58.478	58.742						51.225
41 TRUE-UP (E-2)	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313						-0.313
42 TOTAL COST OF GAS (40+41)	45.923	38.016	41.077	48.160	51.781	55.262	53.477	52.951	53.399	57.311	58.165	58.429						50.912
43 REVENUE TAX FACTOR	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503						1.00503
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)	46.154	38.207	41.283	48.403	52.042	55.540	53.746	53.218	53.668	57.599	58.458	58.722						51.168
45 PGA FACTOR ROUNDED TO NEAREST .001	46.154	38.207	41.283	48.403	52.042	55.540	53.746	53.218	53.668	57.599	58.458	58.722						51.168

COMPANY: CHESAPEAKE UTILITIES CORP.

CALCULATION OF TRUE-UP AMOUNT

Appendix 1
Without Modification

SCHEDULE E-2
EXHIBIT NO. _____
DOCKET NO. 990003-GU
CHESAPEAKE UTILITIES CORP.
JAW-2
PAGE OF

FOR THE CURRENT PERIOD:

JAN

Through

DEC 00

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECT	PROJECT	PROJECT	PROJECT	PROJECT	TOTAL PERIOD
	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	
TRUE-UP CALCULATION													
1 PURCHASED GAS COST	742,092	619,388	548,313	582,247	834,283	1,092,690	658,260	828,065	753,110	734,221	853,880	837,667	9,084,217
2 TRANSPORTATION COST	239,757	224,313	250,994	224,492	120,279	173,481	144,160	142,618	172,311	237,809	286,192	279,141	2,496,547
3 TOTAL	981,849	843,701	799,307	806,739	954,562	1,266,171	802,420	970,683	925,421	972,030	1,140,072	1,116,808	11,579,764
4 FUEL REVENUES (NET OF REVENUE TAX)	737,705	835,353	731,875	662,568	698,332	1,050,555	687,870	846,025	799,847	783,103	905,067	882,625	9,620,924
5 TRUE-UP COLLECTED OR (REFUNDED)	6,151	6,151	6,151	6,151	6,151	6,151	6,151	6,151	6,151	6,151	6,151	6,151	73,812
6 FUEL REVENUE APPLICABLE TO PERIOD (LINE 4 (+ or -) LINE 5)	743,856	841,504	738,026	668,719	704,483	1,056,706	694,021	852,176	805,998	789,254	911,218	888,776	9,694,736
7 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	(237,993)	(2,197)	(61,281)	(138,020)	(250,079)	(209,465)	(108,399)	(118,507)	(119,423)	(182,777)	(228,854)	(228,033)	(1,885,028)
8 INTEREST PROVISION-THIS PERIOD (21)	(336)	(954)	(1,168)	(1,752)	(2,896)	(4,295)	(5,195)	(5,310)	(5,358)	(6,079)	(7,045)	(8,117)	(48,504)
9 BEGINNING OF PERIOD TRUE-UP AND INTEREST	51,315	(193,165)	(202,467)	(271,067)	(416,990)	(676,115)	(896,027)	(1,015,772)	(1,145,740)	(1,276,672)	(1,471,678)	(1,713,729)	51,315
10 TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(73,812)
10a FLEX RATE REFUND (if applicable)	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL ESTIMATED/ACTUAL TRUE-UP (7 + 8 + 9 + 10 + 10a)	(193,165)	(202,467)	(271,067)	(416,990)	(676,115)	(896,027)	(1,015,772)	(1,145,740)	(1,276,672)	(1,471,678)	(1,713,729)	(1,956,029)	(1,956,029)
INTEREST PROVISION													
12 BEGINNING TRUE-UP AND INTEREST PROVISION (9)	51,315	(193,165)	(202,467)	(271,067)	(416,990)	(676,115)	(896,027)	(1,015,772)	(1,145,740)	(1,276,672)	(1,471,678)	(1,713,729)	51,315
13 ENDING TRUE-UP BEFORE INTEREST (12 + 7-5)	(192,829)	(201,513)	(269,899)	(415,238)	(673,220)	(891,731)	(1,010,577)	(1,140,430)	(1,271,314)	(1,465,600)	(1,706,683)	(1,947,913)	(1,907,525)
14 TOTAL (12 + 13)	(141,514)	(394,678)	(472,366)	(686,305)	(1,090,209)	(1,567,847)	(1,906,604)	(2,156,203)	(2,417,054)	(2,742,272)	(3,178,362)	(3,661,641)	(1,856,210)
15 AVERAGE (50% OF 14)	(70,757)	(197,339)	(236,183)	(343,153)	(545,105)	(783,923)	(953,302)	(1,078,101)	(1,208,527)	(1,371,136)	(1,589,181)	(1,830,821)	(928,105)
16 INTEREST RATE - FIRST DAY OF MONTH	5.600%	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	5.320%	5.320%	5.320%	5.320%	5.320%
17 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	5.320%	5.320%	5.320%	5.320%	5.320%	5.320%
18 TOTAL (16 + 17)	11.400%	11.600%	11.870%	12.250%	12.750%	13.150%	13.080%	11.820%	10.640%	10.640%	10.640%	10.640%	10.640%
19 AVERAGE (50% OF 18)	5.700%	5.800%	5.935%	6.125%	6.375%	6.575%	6.540%	5.910%	5.320%	5.320%	5.320%	5.320%	5.320%
20 MONTHLY AVERAGE (19/12 Months)	0.475%	0.483%	0.495%	0.510%	0.531%	0.548%	0.545%	0.493%	0.443%	0.443%	0.443%	0.443%	0.443%
21 INTEREST PROVISION (15x20)	(336)	(954)	(1,168)	(1,752)	(2,896)	(4,295)	(5,195)	(5,310)	(5,358)	(6,079)	(7,045)	(8,117)	

COMPANY: CHESAPEAKE UTILITIES CORPORATION
 TOTAL COMPANY
 ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD:

PURCHASED GAS ADJUSTMENT
 COST RECOVERY CLAUSE CALCULATION
 JAN 2000 Through DEC 2000

Appendix 2
 With Modification

SCHEDULE E-1
 EXHIBIT NO. _____
 DOCKET NO. 990003-GU
 CHESAPEAKE UTILITIES CORP.
 JAW-2
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	ACTUAL		ACTUAL		ACTUAL		ACTUAL		ACTUAL		PROJECT		PROJECT		TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC			
COST OF GAS PURCHASED															
1 COMMODITY (Pipeline)	8,455	6,887	7,697	6,603	6,485	6,580	5,162	6,001	5,674	5,555	6,420	6,261	77,780		
2 NO NOTICE SERVICE	5,103	3,762	1,829	1,770	1,829	1,770	1,829	1,829	1,770	1,829	1,770	3,043	28,133		
3 SWING SERVICE	146,174	25,296	0	0	185,095	28,191	0	0	0	0	0	0	384,756		
4 COMMODITY (Other)	595,918	594,092	548,313	582,247	649,188	1,064,499	658,260	807,909	763,825	747,841	864,272	842,848	8,719,212		
5 DEMAND	226,199	213,664	241,568	216,119	111,965	165,131	137,169	154,944	154,152	216,806	267,610	264,657	2,369,984		
6 OTHER	0	0	(100)	0	0	0	0	0	0	0	0	0	(100)		
LESS END-USE CONTRACT															
7 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0		
8 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0		
9	0	0	0	0	0	0	0	0	0	0	0	0	0		
10	0	0	0	0	0	0	0	0	0	0	0	0	0		
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	981,849	843,701	799,307	806,739	954,562	1,266,171	802,420	970,683	925,421	972,030	1,140,072	1,116,808	11,579,765		
12 NET UNBILLED	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A		
13 COMPANY USE	0	0	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A		
14 TOTAL THERM SALES	737,705	835,353	731,875	662,568	698,332	1,050,555	687,870	846,025	799,847	1,096,452	1,267,219	1,235,796	10,649,597		
THERMS PURCHASED															
15 COMMODITY (Pipeline)	2,536,150	2,125,230	2,361,310	2,109,630	1,923,880	1,960,100	1,568,090	1,822,988	1,723,516	1,687,449	1,950,167	1,901,825	23,670,335		
16 NO NOTICE SERVICE	864,900	637,710	310,000	300,000	310,000	300,000	310,000	310,000	300,000	310,000	300,000	515,840	4,768,450		
17 SWING SERVICE	242,840	40,640	0	0	0	29,700	0	0	0	0	0	0	313,180		
18 COMMODITY (Other)	2,474,563	2,405,872	2,226,377	2,123,904	1,868,265	2,404,435	1,485,316	1,822,988	1,723,516	1,687,449	1,950,167	1,901,825	24,074,677		
19 DEMAND	2,371,810	2,826,050	3,417,440	3,278,100	1,718,640	2,084,100	2,385,330	4,197,399	4,027,668	3,682,500	3,256,560	4,138,825	37,384,422		
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0		
LESS END-USE CONTRACT															
21 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0		
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0		
23	0	0	0	0	0	0	0	0	0	0	0	0	0		
24 TOTAL PURCHASES (+17+18+20)-(21+23)	2,717,403	2,446,512	2,226,377	2,123,904	1,868,265	2,434,135	1,485,316	1,822,988	1,723,516	1,687,449	1,950,167	1,901,825	24,387,857		
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0		
26 COMPANY USE	0	0	0	0	0	0	0	600	600	600	600	600	3,000		
27 TOTAL THERM SALES	2,123,554	2,201,196	1,931,176	1,664,291	1,832,381	2,278,317	1,491,771	1,822,388	1,722,916	1,686,849	1,949,567	1,901,225	22,605,631		
CENTS PER THERM															
28 COMMODITY (Pipeline)	(1/15)	0.333	0.324	0.326	0.313	0.337	0.336	0.329	0.329	0.329	0.329	0.329	0.329		
29 NO NOTICE SERVICE	(2/16)	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590		
30 SWING SERVICE	(3/17)	60.194	62.244	0.000	0.000	0.000	94.919	0.000	0.000	0.000	0.000	0.000	122.855		
31 COMMODITY (Other)	(4/18)	24.082	24.693	24.628	27.414	34.748	44.272	44.318	44.318	44.318	44.318	44.318	36.217		
32 DEMAND	(5/19)	9.537	7.561	7.069	6.593	6.515	7.923	5.751	3.691	3.827	5.887	8.218	6.394		
33 OTHER	(6/20)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
LESS END-USE CONTRACT															
34 COMMODITY Pipeline	(7/21)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
35 DEMAND	(8/22)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
36	(9/23)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
37 TOTAL COST	(11/24)	36.132	34.486	35.902	37.984	51.094	52.017	54.024	53.247	53.694	57.604	58.460	47.482		
38 NET UNBILLED	(12/25)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
39 COMPANY USE	(13/26)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
40 TOTAL THERM SALES	(11/27)	46.236	38.329	41.390	48.473	52.094	55.575	53.790	53.264	53.712	57.624	58.478	51.225		
41 TRUE-UP	(E-2)	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313	-0.313		
42 TOTAL COST OF GAS	(40+41)	45.923	38.016	41.077	48.160	51.781	55.262	53.477	52.951	53.399	57.311	58.165	50.912		
43 REVENUE TAX FACTOR		1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503		
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)		46.154	38.207	41.283	48.403	52.042	55.540	53.746	53.218	53.668	57.599	58.458	51.168		
45 PGA FACTOR ROUNDED TO NEAREST .001		46.154	38.207	41.283	48.403	52.042	55.540	53.746	53.218	53.668	57.599	58.458	51.168		

COMPANY:	CALCULATION OF TRUE-UP AMOUNT												SCHEDULE E-2 EXHIBIT NO _____ DOCKET NO. 990003-GU CHESAPEAKE UTILITIES CORP. JAW-2 PAGE OF	
	Appendix 2 With Modification													
	FOR THE CURRENT PERIOD: JAN Through DEC 00													
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECT	PROJECT	PROJECT	PROJECT	PROJECT	TOTAL
	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	PERIOD	
TRUE-UP CALCULATION														
1 PURCHASED GAS COST	742,092	619,388	548,313	582,247	834,283	1,092,690	658,260	828,065	753,110	734,221	853,880	837,667	9,084,217	
2 TRANSPORTATION COST	239,757	224,313	250,994	224,492	120,279	173,481	144,160	142,618	172,311	237,809	286,192	279,141	2,495,547	
3 TOTAL	981,849	843,701	799,307	806,739	954,562	1,266,171	802,420	970,683	925,421	972,030	1,140,072	1,116,808	11,579,764	
4 FUEL REVENUES (NET OF REVENUE TAX)	737,705	835,353	731,875	662,568	698,332	1,050,555	687,870	846,025	799,847	1,096,452	1,267,219	1,235,796	10,649,597	
5 TRUE-UP COLLECTED OR (REFUNDED)	6,151	6,151	6,151	6,151	6,151	6,151	6,151	6,151	6,151	6,151	6,151	6,151	73,812	
6 FUEL REVENUE APPLICABLE TO PERIOD (LINE 4 (+ or -) LINE 5)	743,856	841,504	738,026	668,719	704,483	1,056,706	694,021	852,176	805,998	1,102,603	1,273,370	1,241,947	10,723,409	
7 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	(237,993)	(2,197)	(61,281)	(138,020)	(250,079)	(209,465)	(108,399)	(118,507)	(119,423)	130,572	133,297	125,139	(856,355)	
8 INTEREST PROVISION-THIS PERIOD (21)	(336)	(954)	(1,168)	(1,752)	(2,896)	(4,295)	(5,195)	(5,310)	(5,358)	(5,384)	(4,850)	(4,326)	(41,824)	
9 BEGINNING OF PERIOD TRUE-UP AND INTEREST	51,315	(193,165)	(202,467)	(271,067)	(416,990)	(676,115)	(896,027)	(1,015,772)	(1,145,740)	(1,276,672)	(1,157,635)	(1,035,339)	51,315	
10 TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(6,151)	(73,812)	
10a FLEX RATE REFUND (if applicable)	0	0	0	0	0	0	0	0	0	0	0	0	0	
11 TOTAL ESTIMATED/ACTUAL TRUE-UP (7 + 8 + 9 + 10 + 10a)	(193,165)	(202,467)	(271,067)	(416,990)	(676,115)	(896,027)	(1,015,772)	(1,145,740)	(1,276,672)	(1,157,635)	(1,035,339)	(920,677)	(920,677)	
INTEREST PROVISION														
12 BEGINNING TRUE-UP AND INTEREST PROVISION (9)	51,315	(193,165)	(202,467)	(271,067)	(416,990)	(676,115)	(896,027)	(1,015,772)	(1,145,740)	(1,276,672)	(1,157,635)	(1,035,339)	51,315	
13 ENDING TRUE-UP BEFORE INTEREST (12 + 7-5)	(192,829)	(201,513)	(269,899)	(415,238)	(673,220)	(891,731)	(1,010,577)	(1,140,430)	(1,271,314)	(1,152,251)	(1,030,488)	(916,351)	(878,852)	
14 TOTAL (12 + 13)	(141,514)	(394,678)	(472,366)	(686,305)	(1,090,209)	(1,567,847)	(1,906,604)	(2,156,203)	(2,417,054)	(2,428,923)	(2,188,123)	(1,951,689)	(827,537)	
15 AVERAGE (50% OF 14)	(70,757)	(197,339)	(236,183)	(343,153)	(545,105)	(783,923)	(953,302)	(1,078,101)	(1,208,527)	(1,214,461)	(1,094,061)	(975,845)	(413,769)	
16 INTEREST RATE - FIRST DAY OF MONTH	5.600%	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	5.320%	5.320%	5.320%	5.320%		
17 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	5.320%	5.320%	5.320%	5.320%	5.320%		
18 TOTAL (16 + 17)	11.400%	11.600%	11.870%	12.250%	12.750%	13.150%	13.080%	11.820%	10.640%	10.640%	10.640%	10.640%		
19 AVERAGE (50% OF 18)	5.700%	5.800%	5.935%	6.125%	6.375%	6.575%	6.540%	5.910%	5.320%	5.320%	5.320%	5.320%		
20 MONTHLY AVERAGE (19/12 Months)	0.475%	0.483%	0.495%	0.510%	0.531%	0.548%	0.545%	0.493%	0.443%	0.443%	0.443%	0.443%		
21 INTEREST PROVISION (15x20)	(336)	(954)	(1,168)	(1,752)	(2,896)	(4,295)	(5,195)	(5,310)	(5,358)	(5,384)	(4,850)	(4,326)		