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October 12, 2007

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COMMISSION  
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**VIA HAND DELIVERY**

Ms. Ann Cole  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**Re: Docket No. 070004-GU – Energy Conservation Cost Recovery Clause**

Dear Ms. Cole:

Enclosed for filing in the above referenced Docket, please find an original and 15 copies of the Florida Division of Chesapeake Utilities Corporation's Prehearing Statement, along with a copy on diskette.

Your assistance in this matter is greatly appreciated.

Sincerely,

**Beth Keating**  
**AKERMAN SENTERFITT**  
106 East College Avenue, Suite 1200  
Tallahassee, FL 32302-1877  
Phone: (850) 224-9634  
Fax: (850) 222-0103

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{TL136242;1}Enclosures

DOCUMENT NUMBER-DATE  
**09363 OCT 12 07**  
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas Conservation     )  
      Cost Recovery                    )

Docket No. 070004-GU

PREHEARING STATEMENT OF  
CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION

A. WITNESSES:

<u>Witness Direct</u>	<u>Subject Matter</u>	<u>Issues</u>
1. Brian S. Bilinski (CUC)	True-up for 2006	1
2. Brian S. Bilinski (CUC)	Estimated true-up amount for 2007; projected expenses and cost recovery factors for 2008	2, 3

B. EXHIBITS:

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
BSB-1	Bilinski	True-up variance analysis [Schedules CT1-CT6]
BSB-2	Bilinski	Projections Recovery Clause Calculation: Estimated ECCR charges by rate classification; [Schedules C- 1 through C-4]

C. STATEMENT OF BASIC POSITION

The Commission should approve the Florida Division of Chesapeake Utilities Corporation's final net true-up for the period January - December 2006, the estimated true-up amount for the period January - December 2007, and the projected conservation program expenses for the period January - December 2008.

The Commission should approve the following ECCR factors for the following rate classes for the period January – December 2008:

<u>Rate Class</u>	<u>ECCR Factor Dollars Per Therm</u>
FTS-A	.18519
FTS-B	.15081
FTS-1	.13368
FTS-2	.07604
FTS-3	.04270
FTS-4	.03524
FTS-5	.03112
FTS-6	.02724
FTS-7	.01752
FTS-8	.01571
FTS-9	.01295
FTS-10	.01257
FTS-11	.01097
FTS-12	.00905

<u>Rate Class</u>	<u>Experimental ECCR Factor Dollars Per Bill</u>
FTS-A	1.63
FTS-B	2.23
FTS-1	2.87
FTS-2	5.90
FTS-3	23.16

D. QUESTIONS OF FACT

Issue 1: What is the final end-of-the-period true-up amount for the period January through December 2006?

CUC'S Position: \$9,754 over recovery

Issue 2: What are the appropriate conservation cost recovery factors for the period January through December 2008?

CUC's Position: The appropriate energy conservation cost recovery factors for the period January through December 2008 are as follows:

<u>Rate Class</u>	<u>ECCR Factor Dollars Per Therm</u>
FTS-A	.18519
FTS-B	.15081
FTS-1	.13368
FTS-2	.07604
FTS-3	.04270
FTS-4	.03524
FTS-5	.03112
FTS-6	.02724
FTS-7	.01752
FTS-8	.01571
FTS-9	.01295
FTS-10	.01257
FTS-11	.01097
FTS-12	.00905

<u>Rate Class</u>	<u>Experimental ECCR Factor Dollars Per Bill</u>
FTS-A	1.63
FTS-B	2.23
FTS-1	2.87
FTS-2	5.90
FTS-3	23.16

Issue 3: What should be the effective date of the new conservation cost recovery factors for billing purposes?

CUC's Position: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2008 through December 2008. Billing cycles may start before January 1, 2008 and the last cycle may be read after December 31, 2008 so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

e) QUESTIONS OF LAW:

None.

f) POLICY QUESTIONS:

None.

g) STIPULATED ISSUES:

None.

h) MOTIONS

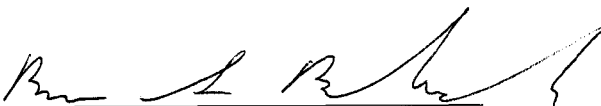
None.

i) OTHER MATTERS:

None.

Dated this 11<sup>TH</sup> day of October, 2007.

Respectfully submitted,  
CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION

By 

Brian S. Bilinski  
Senior Financial Analyst  
Chesapeake Utilities Corporation  
Florida Division  
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CHESAPEAKE UTILITIES CORPORATION  
PREHEARING STATEMENT  
DISK/FILE SPECIFICATIONS  
DOCKET 070004-GU

File Name: ECCR Prehearing Statement CUC  
Disc: Recordable Disc – 700MB, 52x speed  
Operating System: Windows  
Software: Microsoft Word

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail to the following parties of record this 12<sup>th</sup> day of October, 2007:

Florida Public Utilities Company John T. English/Cheryl Martin P.O. Box 3395 West Palm Beach, FL 33402-3395	MacFarlane Ferguson Law Firm Ansley Watson, Jr. P.O. Box 1531 Tampa, FL 33601-1531
Messer Law Firm Norman H. Horton, Jr. P.O. Box 15579 Tallahassee, FL 32317	Thomas A. Geoffroy Florida Division of Chesapeake Utilities P.O. Box 960 Winter Haven, FL 33882-0960
Florida City Gas Jay Sutton 955 East 25 <sup>th</sup> Street Hialeah, FL 33013-3498	St. Joe Natural Gas Company, Inc. Mr. Stuart L. Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549
TECO Energy, Inc. Paula K. Brown/Matthew Costa P.O. Box 111 Tampa, FL 33601-0111	AGL Resources Inc. Elizabeth Wade/Melvin Williams Ten Peachtree Place Location 1470 Atlanta, GA 30309
	Katherine Fleming Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

  
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