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September 3, 2013

**BY HAND DELIVERY**

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

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13 SEP - 3 PM 3: 14  
COMMISSION  
CLERK

Docket No. 130136-GU: **Petition for approval of assumption of special contract with JDC Development, LLC by the Florida Division of Chesapeake Utilities Corporation.**

Dear Ms. Cole:

Enclosed for filing, please find the original and 7 copies of the Florida Division of Chesapeake Utilities Corporation's Amended Attachment 4d (Redacted) to its Responses to Staff's Second Set of Data Requests.

As always, thank you for your assistance with this filing. If you have any questions whatsoever, please do not hesitate to contact me.

Kind regards,

Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301  
(850) 521-1706

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Florida Division of Chesapeake Utilities Corporation  
**Cost of Service Study**  
**JDC Development, LLC**

Amended response to Staff's Third Data request, Question 1, in Docket 130136-GU

**Amended Attachment 4d.**

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Rate Base Assumptions:	Revised Proj. Rate Base	Actual as of 5/2013 Rate Base			
City Gate Station/Tap (Acct 379)	\$369,069				
Mains - Plastic (Acct 376.2)	\$24,458				
Meters (Acct 381)	\$0				
City Gate Station/ TAP Acct 371		\$291,417			
Mains Acct 367		\$9,866			
	\$393,527	\$301,283			
<b>Rate Base and Return Requirements</b>	<b>1st year</b>	<b>2nd year</b>	<b>3rd year</b>	<b>4th year</b>	<b>5th year</b>
Projected Investment in Plant - 13 Month Average	\$393,527	\$393,527	\$393,527	\$393,527	\$393,527
Accumulated Depreciation - 13 Month Average	(\$8,001)	(\$22,860)	(\$37,719)	(\$52,578)	(\$67,437)
13 Month Average Rate Base	\$385,526	\$370,667	\$355,808	\$340,949	\$326,090
Return on Rate Base (Dec 31, 2012 ESR)	6.81%	6.81%	6.81%	6.81%	6.81%
Return Requirements	\$26,254	\$25,242	\$24,231	\$23,219	\$22,207
Less: Interest Expense	\$5,783	\$5,560	\$5,337	\$5,114	\$4,891
Net Income after Taxes and Interest	\$20,471	\$19,682	\$18,894	\$18,105	\$17,316
Divide by (1 - Tax Rate)	61.43%	61.43%	61.43%	61.43%	61.43%
Taxable Income	\$33,327	\$32,042	\$30,759	\$29,475	\$28,190
Income Taxes (due to Net Operating Loss Carryforwards used)	\$12,856	\$12,360	\$11,865	\$11,370	\$10,874

Florida Division of Chesapeake Utilities Corporation  
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**Amended Attachment 4d.**

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Project Financing	1st year	2nd year	3rd year	4th year	5th year
Debt	29.69%	29.69%	29.69%	29.69%	29.69%
Equity, Zero Cap	70.31%	70.31%	70.31%	70.31%	70.31%
	100.00%	100.00%	100.00%	100.00%	100.00%
Weighted Average Cost of Debt	1.50%	1.50%	1.50%	1.50%	1.50%
13 Month Average Rate Base	\$385,526	\$370,667	\$355,808	\$340,949	\$326,090
Interest Expense	\$5,783	\$5,560	\$5,337	\$5,114	\$4,891
<b>Taxes Other Than Income (TOTI)</b>					
Property Taxes	\$6,747	\$6,487	\$6,227	\$5,967	\$5,707
Reg Assess Fee	\$428	\$428	\$300	\$300	\$300
<b>Total TOTI</b>	<b>\$7,174</b>	<b>\$6,914</b>	<b>\$6,527</b>	<b>\$6,267</b>	<b>\$6,007</b>
<b>Cost of Service</b>					
Projected Operation & Maintenance	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Depreciation	\$13,716	\$13,716	\$13,716	\$13,716	\$13,716
TOTI	\$7,174	\$6,914	\$6,527	\$6,267	\$6,007
Income Taxes	\$12,856	\$12,360	\$11,865	\$11,370	\$10,874
Return Requirements	\$26,254	\$25,242	\$24,231	\$23,219	\$22,207
<b>Total Cost of Service</b>	<b>\$63,000</b>	<b>\$61,233</b>	<b>\$59,339</b>	<b>\$57,572</b>	<b>\$55,804</b>

Monthly Rate per Special Contract  
 Annual Revenues

Annual Revenue Excess (Deficiency)



Florida Division of Chesapeake Utilities Corporation  
 Cost of Service Study  
 JDC Development, LLC

Attachment 4  
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ate Station/Tap (Acct Depreciation Expense / Accumulated Depreciation

Depr Rate	1	2	3	4	5	6	7	8	9	10	11	12	13
3.50%	\$1,076	\$1,076	\$1,076	\$1,076	\$1,076	\$1,076	\$1,076	\$1,076	\$1,076	\$1,076	\$1,076	\$1,076	\$1,076
A/D	\$1,076	\$2,152	\$3,228	\$4,304	\$5,380	\$6,456	\$7,532	\$8,608	\$9,684	\$10,760	\$11,836	\$12,912	\$13,988

ins - Plastic (Acct 37 Depreciation Expense / Accumulated Depreciation

Depr Rate	1	2	3	4	5	6	7	8	9	10	11	12	13
3.30%	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$67
A/D	\$67	\$134	\$201	\$268	\$335	\$402	\$469	\$536	\$603	\$670	\$737	\$804	\$871

Meters (Acct 381) Depreciation Expense / Accumulated Depreciation

Depr Rate	1	2	3	4	5	6	7	8	9	10	11	12	13
4.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Depreciation Expense / Accumulated Depreciation

	1	2	3	4	5	6	7	8	9	10	11	12	13
Depr Exp	\$1,143	\$1,143	\$1,143	\$1,143	\$1,143	\$1,143	\$1,143	\$1,143	\$1,143	\$1,143	\$1,143	\$1,143	\$1,143
A/D	\$1,143	\$2,286	\$3,429	\$4,572	\$5,715	\$6,858	\$8,001	\$9,144	\$10,287	\$11,430	\$12,573	\$13,716	\$14,859