

**CHESAPEAKE**  
UTILITIES CORPORATION

April 14<sup>th</sup>, 2010

Mr. John Slemkewicz  
Public Utilities Supervisor  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0868

Dear Mr. Slemkewicz:

Enclosed is the December 2009 Rate of Return Report for the Florida Division of Chesapeake Utilities Corporation. *Please be aware that this is a preliminary filing and a final report is to follow at a later date.* Listed below is a brief summary of the report:

Average Rate Base	Net Operating Income	Average Rate of Return	Allowed Rate of Return (Midpoint)
\$40,494,129	\$1,672,052	4.13%	7.48%

The projected year-end rate of return as calculated is 4.18%.

If you have any questions, please call me at (302) 734-6799

Sincerely,

M-S.W. 4/14/10

Mark S. Woodall  
Accountant II  
Enclosures

10 APR 19 PM 1:46  
ECONOMIC REGULATION  
FLORIDA PUBLIC SERVICE COMMISSION

Chesapeake Utilities Corporation

909 Silver Lake Boulevard • Dover, Delaware 19904 • 302.734.6799 • 302.734.6750: fax

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 RATE OF RETURN REPORT SUMMARY  
 December 31, 2009

SCHEDULE 1

I. AVERAGE RATE OF RETURN (JURISDICTIONAL)	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
NET OPERATING INCOME	\$ 1,685,739	(\$13,687)	\$1,672,052	\$0	\$1,672,052
AVERAGE RATE BASE	\$23,368,497	\$17,125,632	\$40,494,129	\$0	\$40,494,129
AVERAGE RATE OF RETURN	7.21%		4.13%		4.13%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$1,685,739	(\$33,357)	\$1,652,382	\$0	\$1,652,382
YEAR-END RATE BASE	\$22,540,375	\$16,964,094	\$39,504,469	\$0	\$39,504,469
YEAR-END RATE OF RETURN	7.48%		4.18%		4.18%

III. REQUIRED RATES OF RETURN  
 AVERAGE CAPITAL STRUCTURE  
 (FPSC ADJUSTED BASIS)

LOW	7.03%
MIDPOINT	7.48%
HIGH	7.94%

IV. EARNED RETURN ON EQUITY  
 (FPSC ADJUSTED BASIS)

A.	INCL COMP RATE ADJ REVENUES	4.17%
B.	EXCL COMP RATE ADJ REVENUES	4.14%

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Beth Cooper  
 Sr. Vice-President, Chief Financial Officer

*Beth W. Cooper*

Signature

Date

4/16/10

FLORIDA PUBLIC SERVICE COMMISSION

10 APR 19 PM 1:46

FLORIDA DIVISION OF ECONOMIC REGULATION

CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION  
AVERAGE RATE OF RETURN  
For the 12 Months Ending December 31, 2009  
RATE BASE

	(1) PLANT IN SERVICE	(2) ACCUMULATED DEPRECIATION & AMORTIZATION	(3) PLANT IN SERVICE	(4) NET PROPERTY HELD FOR FUTURE USE	(5) CONSTRUCTION WORK IN PROGRESS	(6) NET UTILITY PLANT	(7) WORKING CAPITAL	(8) TOTAL RATE BASE
PER BOOKS	\$59,454,563	(\$19,595,068)	\$39,859,495	\$0	\$419,714	\$40,279,209	(\$16,910,712)	\$23,368,497
FPSC ADJUSTMENTS:								
ELIMINATIONS TO WORKING CAPITAL								
ELIMINATE ACQUISITION ADJ.	\$0	\$0	\$0			\$0	\$17,747,355	\$17,747,355
ELIM. FRANCHISE/CONSENT	(\$537,183)	\$9,807	\$9,807			\$9,807	\$0	\$9,807
ELIM. COMMON PLANT	(\$259,156)	\$234,001	(\$413,182)			(\$413,182)		(\$413,182)
FLEXIBLE GAS SERVICE		\$49,793	(\$209,344)			(\$209,344)	(\$9,004)	(\$218,348)
TOTAL FPSC ADJUSTMENTS	(\$896,229)	\$283,801	(\$612,719)	\$0	\$0	(\$612,719)	\$17,738,351	\$17,125,632
FPSC ADJUSTED	\$58,558,244	(\$19,311,467)	\$39,246,776	\$0	\$419,714	\$39,666,490	\$27,640	\$40,494,129
COMP RATE ADJ REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR COMP RATE ADJ REVENUE	\$58,558,244	(\$19,311,467)	\$39,246,776	\$0	\$419,714	\$39,666,490	\$27,640	\$40,494,129
PROFORMA ADJUSTMENTS								
TOTAL PROFORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROFORMA ADJUSTED	\$58,558,244	(\$19,311,467)	\$39,246,776	\$0	\$419,714	\$39,666,490	\$27,640	\$40,494,129

CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION  
AVERAGE RATE OF RETURN  
For the 12 Months Ending December 31, 2009  
INCOME STATEMENT

	(1) OPERATING REVENUES	(2) O & M GAS EXPENSE	(3) O & M OTHER	(4) DEPREC. & AMORTIZATION	(5) TAXES OTHER THAN INCOME	(6) INCOME TAXES CURRENT	(7) D.I.T. (NET)	(8) I.T.C. (NET)	(9) GAIN/LOSS ON DISPOSITION	(10) TOTAL OPERATING EXPENSES	(11) NET OPERATING INCOME
PER BOOKS	\$12,361,704	\$ 851,450	\$6,985,711	\$1,903,382	\$921,202	\$416,220				\$10,675,985	\$1,685,739
FFSC ADJUSTMENTS:											
1) Interest Synchronization						\$33,095				\$33,095	(\$33,095)
2) Acquisition adjust.						\$0				\$0	\$0
3) Out of Period Adjustments			(\$77,347)			\$29,837				(\$47,510)	\$47,510
4) Elim. Property Tax - Common Plant				(\$4,244)	(\$7,804)	\$3,010				(\$4,794)	\$4,794
5) Elim. amort orig costs						\$164				(\$260)	\$260
6) Elim. Economic Dev. Expense			\$0			\$0				\$0	\$0
7) Elim. Depreciation Exp. Common Plant			(\$17,639)	(\$2,721)		\$857				(\$1,364)	\$1,364
8) Elim. Non-utility O & M						\$6,804				(\$10,885)	\$10,885
9) Elim. Ind. Associates						\$0					\$0
10) Elim. charitable contributions			(\$1,500)			\$379				(\$821)	\$821
11) Elim. Social Activities			(\$14,666)			\$5,657				(\$9,009)	\$9,009
12) Elim. promotional expenses			\$0			\$0				\$0	\$0
13) Elim. Civic Dues			\$0			\$0				\$0	\$0
14) Interest Income	\$11,308					\$4,362				\$4,362	\$6,946
15) Elim. Rev-Related Taxes	(\$263,141)					\$0				(\$263,141)	\$0
16) Elim. Conservation Rev & Exp.	(\$588,309)					\$0				(\$588,309)	\$0
17) Elim. PGA Expenses	\$0					\$0				\$0	\$0
18) Elim. PGA Revenues	\$0					\$0				\$0	\$0
19) Elim. Flexible Gas Service	(\$156,600)		(\$45,184)	(\$10,104)		(\$39,081)				(\$94,369)	(\$62,231)
TOTAL FFSC ADJUSTMENTS	(\$386,741)	(\$851,450)	(\$156,339)	(\$12,748)	(\$7,804)	\$45,283	\$0	\$0	(\$386,055)		(\$13,687)
FFSC ADJUSTED	\$11,364,963	\$0	\$6,827,375	\$1,490,634	\$913,398	\$461,503	\$0	\$0	\$9,697,910	\$1,672,052	
COMP RATE ADJ REVENUES - DEFICIT/SURPLUS	(\$7,678)					(\$2,962)				(\$2,962)	(\$4,716)
ADJUSTED FOR COMP RATE ADJ REVENUES	\$11,357,285	\$0	\$6,827,375	\$1,490,634	\$913,398	\$458,541	\$0	\$0	\$9,694,949	1,667,336	
PROFORMA ADJUSTMENTS											
TOTAL PROFORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROFORMA ADJUSTED	\$11,357,285	\$0	\$6,827,375	\$1,490,634	\$913,398	\$458,541	\$0	\$0	\$9,694,949	1,667,336	

CHESAPEAKE UTILITIES CORPORATION  
 CHESAPEAKE UTILITIES CORPORATION  
 YEAR END RATE OF RETURN  
 For the 12 Months Ending December 31, 2009  
 RATE BASE

	(1) PLANT SERVICE	(2) ACCUMULATED DEPRECIATION & AMORTIZATION	(3) PLANT IN SERVICE	(4) NET PROPERTY HOLDING FUTURE USE	(5) COMPLETION WORK IN PROGRESS	(6) NET UTILITY PLANT	(7) WORKING CAPITAL	(8) TOTAL RATE BASE
PER BOOKS	\$58,454,583	(\$19,595,069)	\$38,859,515	\$0	\$419,714	\$40,279,229	(\$17,808,814)	\$22,470,415
PP&A ADJUSTMENTS:								
ELIMINATIONS TO WORKING CAPITAL								
ELIMINATE ACQUISITION ADJ.								
ELIM. FRANCHISE/CONSENT	(\$572,770)	\$9,383	\$9,383			\$9,383		\$9,383
ELIM. COMMON PLANT	(\$299,136)	\$22,944	(\$40,826)			(\$40,826)		(\$40,826)
FLEXIBLE GAS SERVICE		\$19,689	(\$219,447)			(\$219,447)		(\$219,447)
TOTAL PP&A ADJUSTMENTS	(\$871,906)	\$32,016	(\$61,869)	\$0	\$0	(\$61,869)		(\$61,869)
PP&A ADJUSTED	\$58,587,657	(\$19,320,052)	\$39,247,695	\$0	\$419,714	\$39,667,319	(\$18,220,824)	\$21,446,495
COMP RATE ADJ REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADJUSTED FOR COMP RATE ADJ REVENUE	\$58,587,657	(\$19,320,052)	\$39,247,695	\$0	\$419,714	\$39,667,319	(\$18,220,824)	\$21,446,495
PERFORMA ADJUSTMENTS								
TOTAL PERFORMA ADJUSTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PERFORMA ADJUSTED	\$58,587,657	(\$19,320,052)	\$39,247,695	\$0	\$419,714	\$39,667,319	(\$18,220,824)	\$21,446,495

CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION  
PRO FORMA ADJUSTED  
For the 12 Months Ending December 31, 2009  
INCOME STATEMENT

	(1) OPERATING REVENUES	(2) O & M & S EXPENSE	(3) O & M & OTHER	(4) DEPRECIATION & AMORTIZATION	(5) TAXES OTHER THAN INCOME	(6) INCOME TAXES CURRENT	(7) D.I.T. (NET)	(8) A.T.C. (NET)	(9) GAIN/LOSS ON DISPOSITION	(10) TOTAL OPERATING EXPENSES	(11) NET OPERATING INCOME
PER BOOKS	\$12,861,704	\$	\$8,983,711	\$1,903,382	\$921,202	\$418,220			\$10,675,865	\$1,685,739	
PPSC ADJUSTMENTS:											
1) Interest Synchroization						\$55,295			\$55,295		
2) Acquisition adjust.						\$0			\$0		
3) Out of Period Adjustments						\$28,837			\$28,837		
4) Depreciation & Amortization Part						\$51,010			\$51,010		
5) Other Intangible Assets						\$164			\$164		
6) ERM Economic Dev. Expense						\$857			\$857		
7) ERM Depreciation Exp. Common Point						\$6,894			\$6,894		
8) ERM Non-Utility O & M						\$0			\$0		
9) ERM Int. Assoc dues						\$0			\$0		
10) ERM charitable contributions						\$5,657			\$5,657		
11) ERM Social Activities						\$0			\$0		
12) ERM Other Expenses						\$0			\$0		
13) ERM Misc Dues						\$0			\$0		
14) Interest Income	\$11,368					\$0			\$11,368		
15) ERM, Int. Related Taxes	\$783,141					\$0			\$783,141		
16) ERM, Non-Utility Rec. & Exp.	\$588,997					\$0			\$588,997		
17) ERM, PGA Expenses						\$0			\$0		
18) ERM, PGA Revenues						\$0			\$0		
19) ERM, Facilities Gas Service						\$0			\$0		
TOTAL PPSC ADJUSTMENTS	\$596,741		\$45,184	\$50,000	\$5,100	\$57,499			\$98,183		
PPSC ADJUSTED	\$13,458,445		\$9,028,895	\$2,453,382	\$926,302	\$475,719			\$11,777,682	\$1,784,158	
COMP RATE ADJ REVENUES - DEFICIT(SURPLUS)											
ADJUSTED FOR COMP RATE ADJ REVENUES	\$13,458,445		\$9,028,895	\$2,453,382	\$926,302	\$475,719			\$11,777,682	\$1,784,158	
PROFORMA ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	\$0		\$0	\$0	\$0	\$0			\$0	\$0	
PRO FORMA ADJUSTED	\$13,458,445		\$9,028,895	\$2,453,382	\$926,302	\$475,719			\$11,777,682	\$1,784,158	

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING THE 13-MONTH AVERAGE WORKING CAPITAL ALLOWANCE FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN: 'Historic' Base Year Date: December 31, 2009

COMPANY: FLORIDA DIVISION

WITNESS:

DOCKET NO.:

LINE NO.	DESCRIPTION	AVERAGE PER BOOKS	NON UTILITY	CAPITAL STRUCTURE	OTHER	ADJUSTED AVERAGE
CURRENT AND ACCRUED ASSETS						
1	CASH	\$483,254				\$483,254
2	PETTY CASH	\$1,094				\$1,094
3	SPECIAL DEPOSITS	\$0				\$0
4	WORKING FUNDS & CASH INVESTMENTS	\$0				\$0
5	TEMPORARY CASH INVESTMENTS	\$0				\$0
6	NOTES RECEIVABLE	\$0				\$0
7	ACCOUNTS REC. - SERVICE	\$1,660,363	\$7		\$0	\$1,660,370
8	CUST. ACCTS. REC. - GAS	\$225,676			-\$331,874	\$225,676
9	UNBILLED REVENUE	\$0				\$0
10	EMPLOYEE ACCOUNTS REC.	\$467,037			-\$467,037	\$0
11	ACCOUNTS REC. MISC.-AREA EMP PROGRAM	\$0				\$0
12	MOSE, JOBBING & OTHER	\$0				\$0
13	ACCUM. PROV./UNCOLLECT. ACCTS. - GAS	-\$64,681				-\$64,681
14	RECEIVABLE ASSOC. COMPANIES	-\$11,822,488		\$11,822,488		\$0
15	PLANT & OPER. MATERIAL & SUPPL.	\$399,887				\$399,887
16	MERCHANDISE	\$0	-\$64,623			-\$64,623
17	STORES EXPENSE	-\$149,788				-\$149,788
18	PREPAYMENTS - POSTAGE & MISC.	\$13,311				\$13,311
19	PREPAYMENTS - RENT	\$53,568				\$53,568
20	PREPAYMENTS - TAXES	\$0				\$0
21	PREPAYMENTS - INSURANCE	\$73,037				\$73,037
22	TOTAL CURRENT ASSETS	-\$8,659,730	-\$64,616	\$11,822,488	-\$798,911	\$2,299,231
DEFERRED DEBITS						
23	UNAMORTIZED D.D. & E	\$0				\$0
24	MISC DEFERRED DEBITS	\$74,988			-\$74,988	\$0
25	DEFERRED RATE CASE	\$0				\$0
26	CONSERVATION	\$0			\$0	\$0
27	DEFERRED ANNUITY	\$0				\$0
28	DEFERRED ENVIR. CHARGES	\$907,821			-\$907,821	\$0
29	EMPLOYEE BENEFITS-PENSION	\$0				\$0
30	DEFERRED RATE CASE / TCR	\$0				\$0
31	OTHER WIP-ENVIRONMENTAL MATTERS	\$0				\$0
32	UNAMORTIZED RATE CASE	\$0				\$0
33	UNRECOVERED GAS COST	-\$87,749			\$0	-\$87,749
34	TOTAL DEFERRED DEBITS	\$885,060	\$0	\$0	-\$982,809	-\$87,749
35	TOTAL CURRENT AND DEFERRED ASSETS	-\$7,764,670	-\$64,616	\$11,822,488	-\$1,781,720	\$2,211,482

LINE NO.	DESCRIPTION	AVERAGE PER BOOKS	NON UTILITY	CAPITAL STRUCTURE	OTHER	ADJUSTED AVERAGE
<b>CURRENT LIABILITIES</b>						
1	NOTES PAYABLE	\$0				\$0
2	ACCOUNTS PAYABLE	\$486,981				\$216,177
3	ACCTS. PAYABLE- ASSOC. CO.	\$0				\$0
4	CUSTOMER DEPOSITS-REFUNDS	-\$4,916				-\$4,916
5	CUSTOMER DEPOSITS-ACCOUNTS PAYABLE	\$1,171,846		-\$1,171,846		\$0
6	METER DEPOSIT REFUND CHECKS	\$0				\$0
7	TAXES ACCRUED-GENERAL	-\$920,354				-\$920,354
8	TAXES ACCRUED-INCOME	\$25,275				\$173,718
9	INTEREST ACCRUED	\$0				\$0
10	DIVIDENDS DECLARED	\$0				\$0
11	TAX COLLECTIONS PAYABLE	\$365,596				\$365,596
12	MISC CURR LIAB & ACC LIAB	\$704,322				\$704,322
13	CONSERVATION	-\$716,279				-\$716,279
14	ENVIRONMENTAL	\$1,347,996				\$1,347,996
15	MISC. CURRENT ACCRUED LIAB.	\$0				\$0
16	TOTAL CURRENT LIABILITIES	\$2,460,469	\$0	-\$1,171,846	-\$122,361	\$1,166,261
<b>DEFERRED CREDITS AND OPERATING RESERVES</b>						
17	CUSTOMER ADVANCES FOR CONST	\$2,446				\$0
18	DEFERRED CREDIT	\$0				\$0
19	CUST DEF ON EQL LEASE CONTR	\$0				\$0
21	PENSIONS, BENEFITS, AND OPRB RES.	\$269,626				\$269,626
22	ACCUM DEFERRED INC TAX	\$6,270,374				\$0
23	DEF INVESTMENT TAX CREDIT	\$142,527				\$0
24	HEALTH INSURANCE RESERVE	\$0				\$0
25	SELF INSURANCE RESERVE	\$0				\$0
26	DEFERRED PENSION COST	\$0				\$0
27	TOTAL DEFERRED CREDITS AND OPERATING RESERVES	\$6,685,373	\$0	-\$6,413,201	-\$63,495	\$208,578
28	TOTAL LIABILITIES	\$9,146,042	\$0	-\$7,585,348	-\$185,856	\$1,374,839
29	TOTAL ASSETS LESS LIABILITIES	-\$16,910,712	-\$64,616	\$19,407,836	-\$1,595,864	\$836,644
30	NET WORKING CAPITAL INCLUDED IN RATE BASE (SCHEDULE)	-\$16,910,712	-\$64,616	\$19,407,836	-\$1,595,864	\$836,644





FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE CALCULATING THE YEAR END WORKING CAPITAL ALLOWANCE FOR THE HISTORIC BASE YEAR.

TYPE OF DATA SHOWN:  
Historic Base Year Date: December 31, 2009

COMPANY: FLORIDA DIVISION

WITNESS:

DOCKET NO.:

LINE NO.	DESCRIPTION	YEAR END PER BOOKS	NON-UTILITY	ADJUSTMENT	ADJUSTED AVERAGE
	<b>CURRENT LIABILITIES</b>				
1	NOTES PAYABLE	\$0			\$0
2	ACCOUNTS PAYABLE	\$723,142			\$395,787
3	ACCTS. PAYABLE - ASSOC. CO.	\$0			\$0
4	CUSTOMER DEPOSITS-REFUNDS	\$392			\$392
5	CUSTOMER DEPOSITS-ACCOUNTS PAYABLE	\$887,101		\$0	\$0
6	METER DEPOSIT REFUND CHECKS	\$0		-\$887,101	\$0
7	TAXES ACCRUED-GENERAL	\$0			\$0
8	TAXES ACCRUED-INCOME	-\$223,410			-\$223,410
9	INTEREST ACCRUED	\$1,282			\$205,508
10	DIVIDENDS DECLARED	\$0		\$204,216	\$0
11	TAX COLLECTIONS PAYABLE	\$118,983			\$118,983
12	MISC CURR LIAB & ACC LIAB	\$575,985			\$575,985
13	CONSERVATION	-\$624,234			-\$624,234
14	ENVIRONMENTAL	\$1,445,798			\$1,445,798
15	MISC. CURRENT ACCRUED LIAB.	\$0			\$0
16	TOTAL CURRENT LIABILITIES	\$2,905,049	\$0	-\$887,101	\$1,894,809
	<b>DEFERRED CREDITS AND OPERATING RESERVES</b>				
17	CUSTOMER ADVANCES FOR CONST	\$0			\$0
18	DEFERRED CREDIT	\$0			\$0
19	CUST DEP ON EQ LEASE CONT	\$0			\$0
21	PENSIONS, BENEFITS, AND OPRB RES.	\$297,840			\$297,840
22	ACCUM DEFERRED INC TAX	\$6,554,856		-\$6,554,856	\$0
23	DEF INVESTMENT TAX CREDIT	\$132,765		-\$132,765	\$0
24	HEALTH INSURANCE RESERVE	\$0			\$0
25	SELF INSURANCE RESERVE	\$0			\$0
26	DEFERRED PENSION COST	\$0			\$0
27	TOTAL DEFERRED CREDITS AND OPERATING RESERVES	\$6,980,461	\$0	-\$6,687,621	\$228,480
28	TOTAL LIABILITIES	\$9,885,510	\$0	-\$1,874,722	\$2,123,289
29	TOTAL ASSETS LESS LIABILITIES	-\$17,738,834	-\$47,727	\$19,400,926	-\$153,846
30	NET WORKING CAPITAL INCLUDED IN RATE BASE (SCHEDULE)	-\$17,738,834	-\$47,727	\$19,400,926	-\$153,846

AVERAGE	ADJUSTMENTS				NON-UTILITY	BALANCE	RATIO (%)	LOW POINT			MIDPOINT			HIGH POINT		
	PRO RATA	SPECIFIC	ADJUSTED	ADJUSTED				COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	
PER BOOKS																
LONG TERM DEBT - IRB						0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
LONG TERM DEBT - OTHER	\$11,979,398		\$11,979,398	\$0	\$11,979,398	29.58%	6.40%	1.89%	6.40%	1.89%	6.40%	1.89%	6.40%	1.89%	6.40%	1.89%
SHORT TERM DEBT	\$2,392,962		\$2,392,962	\$0	\$2,392,962	5.91%	2.34%	0.14%	2.34%	0.14%	2.34%	0.14%	2.34%	0.14%	2.34%	0.14%
COMPETITIVE RATE ADJUSTMENT	\$0		\$0	\$0	\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$1,171,846		\$1,171,846	\$1,171,846	\$1,171,846	2.89%	6.44%	0.19%	6.44%	0.19%	6.44%	0.19%	6.44%	0.19%	6.44%	0.19%
COMMON EQUITY	\$23,368,498	(\$4,829,309)	\$18,539,189	\$0	\$18,539,189	45.78%	10.50%	4.81%	11.50%	5.26%	11.50%	5.26%	11.50%	5.26%	11.50%	5.26%
DEFERRED INCOME TAXES	\$6,270,974	\$0	\$6,270,974	\$6,270,974	\$6,270,974	15.49%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - ZERO COST	\$142,527		\$142,527	\$142,527	\$142,527	0.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL AVERAGE	\$30,953,845	\$0	\$30,953,845	\$40,496,897	\$40,496,897	100.00%		3.03%		7.48%		7.48%		7.48%		7.94%

YEAR-END	ADJUSTMENTS				NON-UTILITY	BALANCE	RATIO (%)	LOW POINT			MIDPOINT			HIGH POINT		
	PRO RATA	SPECIFIC	ADJUSTED	ADJUSTED				COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	
PER BOOKS																
LONG TERM DEBT - IRB						0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
LONG TERM DEBT - OTHER	\$11,622,034		\$11,622,034	\$0	\$11,622,034	29.42%	6.44%	1.89%	6.44%	1.89%	6.44%	1.89%	6.44%	1.89%	6.44%	1.89%
SHORT TERM DEBT	\$2,321,576		\$2,321,576	\$0	\$2,321,576	5.88%	1.65%	0.10%	1.65%	0.10%	1.65%	0.10%	1.65%	0.10%	1.65%	0.10%
COMPETITIVE RATE ADJUSTMENT	\$0		\$0	\$0	\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$887,101		\$887,101	\$887,101	\$887,101	2.25%	6.44%	0.14%	6.44%	0.14%	6.44%	0.14%	6.44%	0.14%	6.44%	0.14%
COMMON EQUITY	\$23,601,489	(\$5,615,352)	\$17,986,137	\$0	\$17,986,137	45.53%	10.50%	4.78%	11.50%	5.24%	11.50%	5.24%	11.50%	5.24%	11.50%	5.69%
DEFERRED INCOME TAXES	\$6,554,856		\$6,554,856	\$6,554,856	\$6,554,856	16.59%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - ZERO COST	\$132,765		\$132,765	\$132,765	\$132,765	0.34%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL YEAR-END	\$31,176,211	\$0	\$31,176,211	\$39,504,469	\$39,504,469	100.00%		6.91%		7.37%		7.37%		7.37%		7.87%

SCHEDULE 5

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 EARNED RETURN ON COMMON EQUITY  
 FPSC ADJUSTED BASIS  
 December 31, 2009

A. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY INCLUDING CRA REVENUES

FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN  
 LESS: RECONCILED AVERAGE JURISDICTIONAL

4.13% (Schedule 1)

WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.89%
SHORT TERM DEBT	0.14%
COMPETITIVE RATE ADJUSTMENT	0.00%
CUSTOMER DEPOSITS	0.19%
TAX CREDITS-WEIGHTED COST (MIDPOINT)	N/A

SUBTOTAL

2.22%

TOTAL

1.91%

DIVIDED BY RECONCILED COMMON EQUITY RATIO

45.78%

JURISDICTIONAL RETURN ON COMMON EQUITY

4.17%

B. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY EXCLUDING CRA REVENUES

NET OPERATING INCOME EXCLUDING CRA REVENUES

\$1,667,336 (Schedule 2, p. 2 of 2)

RATE BASE EXCLUDING CRA REVENUES

\$40,494,129 (Schedule 2, p. 1 of 2)

FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN

4.12%

LESS: RECONCILED AVERAGE JURISDICTIONAL

WEIGHTED COST RATES FOR:

LONG TERM DEBT	1.89%
SHORT TERM DEBT	0.14%
COMPETITIVE RATE ADJUSTMENT	0.00%
CUSTOMER DEPOSITS	0.19%
TAX CREDITS-WEIGHTED COST (MIDPOINT)	N/A

SUBTOTAL

2.22%

TOTAL

1.90%

DIVIDED BY RECONCILED COMMON EQUITY RATIO

45.78%

JURISDICTIONAL RETURN ON COMMON EQUITY

4.14%

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 RATE BASE CALCULATION

	13 Month Average December 31, 2009	Acquisition Adjustment	Rate case adjust.	Working Capital	Adjusted Rate Base
Gas Plant in Service	\$59,454,563	\$0	(\$637,183)		\$58,817,380
Less: Accum. Depreciation	(\$19,595,068)	\$0	\$233,808		(\$19,361,260)
Net Plant	\$39,859,495	\$0	(\$403,375)	\$0	\$39,456,120
CWIP	\$419,714				\$419,714
Total Plant in Service	\$40,279,209	\$0	(\$403,375)	\$0	\$39,875,833
Add:	\$0	\$0			\$0
Subtotal additions	\$0	\$0	\$0	\$0	\$0
Subtract:	\$0				\$0
Flexible Gas Service	(\$209,344)				(\$209,344)
Subtotal subtractions	(\$209,344)	\$0	\$0	\$0	(\$209,344)
Rate Base Before Working Capital	\$40,069,865	\$0	(\$403,375)	\$0	\$39,666,490
Add: Working Capital	(\$16,910,712)			\$17,738,351	\$827,640
Total Rate Base	\$23,159,154	\$0	(\$403,375)	\$17,738,351	\$40,494,129
Rate of Return					7.48%
Return Requirement					\$3,028,961

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 CAPITAL STRUCTURE ADJUSTMENTS

	Year Ending December 31, 2009	Average 13 Months Ended December 31, 2009
Rate Base	\$39,504,469	\$40,494,129
Less: Customer Deposits	(\$887,101)	(\$1,171,846)
Deferred Income Tax	(\$6,554,856)	(\$6,268,206)
Deferred ITC	(\$132,765)	(\$142,527)
Competitive rate adjustment	\$0	\$0
	<u>\$31,929,747</u>	<u>\$32,911,550</u>
Long Term Debt	\$11,622,034	\$11,979,398
Short Term Debt	\$2,321,576	\$2,392,962
	36.40%	36.40%
	7.27%	7.27%
Common Equity	<u>\$17,986,137</u>	<u>\$18,539,189</u>
Total Capital	<u>\$31,929,747</u>	<u>\$32,911,549</u>
	56.33%	56.33%
	100.00%	100.00%
Avg CUC: LTD	\$87,245,394	36.40%
STD	\$17,427,829	7.27%
EQUITY	<u>\$135,020,041</u>	56.33%
Total Capital	<u>\$239,693,264</u>	100.00%

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 EFFECTIVE SHORT TERM INTEREST RATE

	# OF DAYS	AVERAGE SHORT TERM DEBT O/S	INTEREST EXPENSE	EFFECTIVE INT RATE
Jan-09	31	\$31,144,892	\$36,728	1.39%
Feb-09	28	\$21,746,429	\$23,785	1.43%
Mar-09	31	\$13,251,613	\$19,478	1.73%
Apr-09	30	\$5,700,000	\$12,221	2.61%
May-09	31	\$3,746,924	\$10,985	3.45%
Jun-09	30	\$1,207,025	\$8,510	8.58%
Jul-09	31	\$5,362,371	\$11,895	2.61%
Aug-09	31	\$4,346,176	\$11,894	3.22%
Sep-09	30	\$5,491,591	\$15,164	3.36%
Oct-09	31	\$14,137,200	\$24,876	2.07%
Nov-09	30	\$25,188,920	\$35,588	1.72%
Dec-09	31	\$25,764,112	\$36,253	1.66%
TOTAL	365	\$13,001,151	\$304,487	2.34%

WEIGHTED AVERAGE COST OF SHORT TERM DEBT

\$13,001,151	\$304,487	2.34%
--------------	-----------	-------

\* Excludes commitment fee on unused portion.

Cash on Hand Per Balance Sheet

13-Month Avg  
\$483,254

Interest Rate

2.34%

Accrued Interest

\$11,308

FLORIDA DIVISION  
HEALTH INSURANCE RESERVE ADJUSTMENT  
For the 12 Months Ending December 31, 2009

	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
BEG BALANCE 12/31/08	\$ 685,458	\$ 830,874	\$ 731,576	\$ 757,782	\$ 782,198	\$ 772,419	\$ 791,778	\$ 956,181	\$ 999,212	\$ 1,014,179	\$ 1,060,139	\$ 1,053,613	\$ 1,033,238
HEALTH INS EXP (1)	\$ (86,918)	\$ (310,568)	\$ (189,801)	\$ (211,891)	\$ (259,000)	\$ (257,232)	\$ (164,193)	\$ (264,851)	\$ (254,530)	\$ (214,187)	\$ (237,381)	\$ (250,677)	\$ (154,876)
CLAIMS PAID (2)	\$ 232,334	\$ 211,270	\$ 216,006	\$ 236,307	\$ 249,221	\$ 276,591	\$ 328,595	\$ 307,882	\$ 269,497	\$ 260,147	\$ 230,855	\$ 230,302	\$ 244,854
END BALANCE	\$ 830,874	\$ 731,576	\$ 757,782	\$ 782,198	\$ 772,419	\$ 791,778	\$ 956,181	\$ 999,212	\$ 1,014,179	\$ 1,060,139	\$ 1,053,613	\$ 1,033,238	\$ 1,123,216
HEALTH INSURANCE EXP CHARGED TO CUC PORTION TO FLA (3)	\$ 86,918	\$ 310,568	\$ 189,801	\$ 211,891	\$ 259,000	\$ 257,232	\$ 164,193	\$ 264,851	\$ 254,530	\$ 214,187	\$ 237,381	\$ 250,677	\$ 154,876
% TO CFG	7.75%	7.04%	4.67%	4.08%	6.70%	7.02%	6.10%	7.69%	6.97%	6.71%	8.36%	7.13%	5.73%
TOTAL RESERVE TO FLA	\$64,393	\$51,503	\$35,388	\$31,914	\$51,752	\$55,583	\$58,327	\$76,839	\$70,688	\$71,135	\$86,082	\$73,670	\$64,360
13 MONTH AVERAGE YEAR END													

61,048.83  
\$64,360



CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 INCOME TAX ADJUSTMENTS

	Year Ending December 31, 2009	Average 13 Months Ended December 31, 2009
Rate Base	\$39,504,469	\$40,494,129
Less: Interest on LTD	\$746,634	\$765,339
Interest on STD	\$39,504	\$56,692
Int. on Cust. Dep.	\$55,306	\$76,939
Int on flex rate liability	\$0	\$0
	<u>\$841,445</u>	<u>\$898,970</u>
Imputed Int. Deduction		
Interest per books	\$984,763	\$984,763
Difference	\$143,318	\$85,793
Times effective tax rate	0.38575	0.38575
Interest synchronization adjustment	<u>\$55,285</u>	<u>\$33,095</u>

1.89%  
 0.14%  
 0.19%  
 0.00%

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 RATE OF RETURN REPORT  
 December 31, 2009

This adjustment is to eliminate property tax related to common plant elimination

(3) PROPERTY TAX	\$7,804		
		13 Month Avg Plant @ Property Tax Exp.	\$59,454,563 \$728,163
		Common Plant Eliminated	1.2247% \$637,183
		Property Tax Elim. For Common Plant	\$7,804

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 RATE OF RETURN REPORT  
 December 31, 2009

This adjustment is to eliminate 5% of economic development expenses which are not recoverable per economic devel. statute.

ECONOMIC DEVELOPMENT EXPENSE ADJUSTMENT

ACCT	VENDOR	AMOUNT
9094	MAIN STREET WINTER HAVEN	\$ -
	FLORIDA LOW INCOME HOUSING	\$ -
	CITRUS CO. Ec. Dev.	\$ -
9260	CHAMBER DUES	\$ -
	PC ECONOMIC DEV COUNCIL	\$ -
	CITRUS COUNTY ECONOMIC DEVELOP COUNCIL	\$ -
	EAST POLK COUNTY COMMITTEE OF 100	\$ -
<b>TOTAL</b>		<u>\$0</u>
<b>AMOUNT TO ELIMINATE</b>		<u>\$0</u>
<b>CIVIC CLUBS</b>		
<b>ELIMINATE</b>		<u>\$0</u>

CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION  
RATE OF RETURN REPORT  
December 31, 2009

This adjustment is to eliminate impact of social activities which are not recoverable per PSC.

SOCIAL ACTIVITIES ADJUSTMENT - ACCT 68\_0-9260 - CHOICE

VENDOR	AMOUNT
COMPANY SOCIAL EVENT	\$14,666
TOTAL	<u><u>\$14,666</u></u>

CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION  
RATE OF RETURN REPORT  
December 31, 2009

This adjustment is to eliminate charitable contributions which are not recoverable expense per PSC.

CHARITABLE CONTRIBUTIONS ADJUSTMENT	
9280-4264	\$0
	\$1,500
TOTAL	<u><u>\$1,500</u></u>

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 RATE OF RETURN REPORT  
 December 31, 2009

This adjustment is to eliminate the impact of franchise/consent which was disallowed as regulatory ratebase and expense in last rate case.

FRANCHISE/CONSENT ADJUSTMENT - ACCT 108-302  
 ACCUMULATED AMORTIZATION

Dec-08	\$ 9,383
Jan-09	\$ 9,418
Feb-09	\$ 9,454
Mar-09	\$ 9,489
Apr-09	\$ 9,524
May-09	\$ 9,560
Jun-09	\$ 9,595
Jul-09	\$ 9,630
Aug-09	\$ 9,666
Sep-09	\$ 9,701
Oct-09	\$ 9,736
Nov-09	\$ 9,772
Dec-09	\$ 9,807

13 MONTH AVERAGE \$ 9,595

AMORTIZATION \$ 424

YEAR TO DATE: \$ 9,807

CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION  
RATE OF RETURN REPORT  
December 31, 2009

This adjustment is to eliminate promotional advertising which is a non-recoverable expense per the PSC.

PROMOTIONAL EXPENSE ADJUSTMENT

ACCT	AMOUNT
913	\$0

TOTAL \$0

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 RATE OF RETURN REPORT  
 December 31, 2009

**MATERIALS & SUPPLIES**

	12 Month Ended	13-Mo. Avg.
Per 2000 Rate Case	Balance	\$379,394
Adjustment Per Rate Case		\$363,160
		\$58,688
	%	15.47%
		16.16%
Current Balance		\$399,887
Adjustment to current ROR		\$47,727
		\$64,623



CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION  
RATE OF RETURN REPORT  
December 31, 2009

This adjustment is to calculate impact of competitive rate adjustment revenues on NOI.

COMPETITIVE RATE ADJ REVENUE

(\$7,678)

CHESAPEAKE UTILITIES CORPORATION  
 COMPOSITE COST RATE OF DEBT  
 December 31, 2009

SERIES	AMOUNT OUTSTANDING 1/	PERCENT OF TOTAL	EFFECTIVE COST RATE 5/	WEIGHTED COST RATE
Convertible Debentures	\$1,520,000	1.91%	5.4945%	0.18%
Senior Note 2	\$0	0.00%	7.3224% 2/	0.00%
Senior Note 3	\$1,000,000	1.26%	6.9863% 3/	0.09%
Senior Note 4	\$8,000,000	10.05%	7.9136% 4/	0.80%
Senior Note 5	\$19,090,909	23.97%	6.7080%	1.61%
Senior Note 6	\$20,000,000	25.12%	5.5528%	1.39%
Senior Note 7	\$30,000,000	37.67%	5.9433%	2.24%
Sharp Energy Note	\$20,000	0.03%	0.0000%	0.00%
Subtotal	\$79,630,909			
Elim. Series G (RB)	\$0			
TOTAL	\$79,630,909	100.00%		6.31%

match rates

CHESAPEAKE UTILITIES CORPORATION  
 COMPOSITE COST OF DEBT

Dec-08	6.44%
Jan-09	6.44%
Feb-09	6.44%
Mar-09	6.43%
Apr-09	6.43%
May-09	6.43%
Jun-09	6.44%
Jul-09	6.43%
Aug-09	6.43%
Sep-09	6.43%
Oct-09	6.40%
Nov-09	6.25%
Dec-09	6.22%

13-MONTH AVERAGE

6.40%

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 COMPETITIVE RATE ADJUSTMENT  
 EFFECTIVE COST RATE  
 December 31, 2009

( ) = LIABILITY

This adjustment is to calculate impact of competitive rate adjustment mechanism and to calculate capital cost of competitive rate mechanism for schedule 4.

	ACCT BALANCE 1630-2420	ACCT BALANCE 1630-2421	ACCT BALANCE TOTAL	INTEREST ACCRUED 1630-2420	INTEREST ACCRUED 1630-2421	INTEREST ACCRUED TOTAL
Dec-08	\$685,857	(\$577,914)	\$107,943	\$13,990	(\$10,970)	\$3,020
Jan-09	\$690,983	(\$589,423)	\$101,560	\$14,369	(\$11,291)	\$3,078
Feb-09	\$694,642	(\$601,642)	\$93,000	\$14,812	(\$11,672)	\$3,140
Mar-09	\$695,017	(\$612,538)	\$82,480	\$15,187	(\$12,000)	\$3,187
Apr-09	\$695,295	(\$622,421)	\$72,874	\$15,465	(\$12,247)	\$3,218
May-09	\$695,497	(\$630,826)	\$64,672	\$15,667	(\$12,429)	\$3,238
Jun-09	\$695,699	(\$637,953)	\$57,747	\$15,855	(\$12,600)	\$3,255
Jul-09	\$695,699	(\$637,953)	\$57,747	\$16,043	(\$12,773)	\$3,270
Aug-09	\$695,873	(\$644,136)	\$51,737	\$16,203	(\$12,922)	\$3,281
Sep-09	\$696,033	(\$650,198)	\$45,835	\$16,349	(\$13,059)	\$3,290
Oct-09	\$696,179	(\$656,591)	\$39,588	\$16,488	(\$13,191)	\$3,297
Nov-09	\$696,318	(\$663,290)	\$33,028	\$16,613	(\$13,311)	\$3,302
Dec-09	\$696,443	(\$670,672)	\$25,772	\$16,726	(\$13,426)	\$3,300
13 MONTH AVG	\$694,580	(\$630,427)	\$64,153	\$15,674	(\$12,453)	\$3,221

EFFECTIVE COST RATE 5.02%

CHESAPEAKE UTILITIES CORPORATION  
 FLORIDA DIVISION  
 INTEREST PAYABLE ADJUSTMENT  
 December 31, 2009

This adjustment is to record interest payable for CFG's ratemaking purposes.  
 Actual interest payable is recorded on CUC's books.

	BALANCE PER PARENT BOOKS										TOTAL	FLORIDA INTEREST ALLOCATION	INTEREST PAYABLE ADJUST									
	Short Term	STD	LTD	Conv Deben	Senior Note 1	LTD	237-SEN	LTD	Senior Note 2	LTD				Senior Note 3	LTD	Senior Note 4	LTD	Senior Note 5	LTD	Senior Note 6	LTD	Senior Note 7
Dec-08		\$43,539		\$47,754	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$271,636	\$241,389	\$296,500	\$900,818		\$123,689			
Jan-09		\$42,638		\$59,132	\$0	\$0	\$10,470	\$17,125	\$78,300	\$78,300	\$17,125	\$78,300	\$78,300	\$407,455	\$58,056	\$444,750	\$1,117,925		\$153,499			
Feb-09		\$29,412		\$70,373	\$0	\$0	\$20,939	\$34,250	\$156,600	\$156,600	\$34,250	\$156,600	\$156,600	\$543,773	\$149,722	\$593,000	\$1,597,569		\$219,357			
Mar-09		\$16,963		\$14,005	\$0	\$0	\$31,409	\$51,375	\$234,900	\$234,900	\$51,375	\$234,900	\$234,900	\$679,091	\$241,389	\$741,250	\$2,010,382		\$276,039			
Apr-09		\$29,184		\$25,032	\$0	\$0	\$10,470	\$68,500	\$313,200	\$313,200	\$68,500	\$313,200	\$313,200	\$889,500	\$58,056	\$889,500	\$504,442		\$69,263			
May-09		\$31,470		\$35,922	\$0	\$0	\$20,939	\$85,625	\$391,500	\$391,500	\$85,625	\$391,500	\$391,500	\$753,682	\$149,722	\$1,037,750	\$999,248		\$137,204			
Jun-09		\$36,529		\$46,688	\$0	\$0	\$31,409	\$102,750	\$469,800	\$469,800	\$102,750	\$469,800	\$469,800	\$271,636	\$241,389	\$296,500	\$1,496,702		\$205,508			
Jul-09		\$15,266		\$57,413	\$0	\$0	\$10,470	\$17,125	\$78,300	\$78,300	\$17,125	\$78,300	\$78,300	\$407,455	\$58,056	\$444,750	\$1,088,835		\$149,505			
Aug-09		\$18,978		\$68,070	\$0	\$0	\$20,939	\$34,250	\$156,600	\$156,600	\$34,250	\$156,600	\$156,600	\$543,773	\$149,722	\$593,000	\$1,584,832		\$217,608			
Sep-09		\$21,501		\$14,273	\$0	\$0	\$31,409	\$51,375	\$234,900	\$234,900	\$51,375	\$234,900	\$234,900	\$679,091	\$241,389	\$741,250	\$2,015,188		\$276,699			
Oct-09		\$24,774		\$25,170	\$0	\$0	\$5,002	\$68,500	\$313,200	\$313,200	\$68,500	\$313,200	\$313,200	\$0	\$58,056	\$0	\$494,701		\$67,926			
Nov-09		\$38,583		\$35,242	\$0	\$0	\$10,470	\$85,625	\$391,500	\$391,500	\$85,625	\$391,500	\$391,500	\$120,727	\$149,722	\$148,250	\$980,119		\$134,577			
Dec-09		\$32,862		\$45,692	\$0	\$0	\$15,705	\$0	\$783,000	\$783,000	\$0	\$783,000	\$783,000	\$241,455	\$241,389	\$296,500	\$1,656,602		\$227,463			
																					13 MONTH AVG	\$173,718

FLORIDA 13 MONTH AVERAGE DEBT PER SCHEDULE 4

LONG TERM DEBT  
 SHORT TERM DEBT

TOTAL ALLOCATED DEBT

CHESAPEAKE CONSOLIDATED DEBT PER INCOME STATEMENT SCHEDULE

LONG TERM DEBT  
 SHORT TERM DEBT

TOTAL ALLOCATED DEBT

% DEBT ALLOCATED TO FLORIDA

\$11,979,398  
 \$2,392,962

14,372,360

87,245,394 input from 13-mo-avg on income statement  
 17,437,879 input from 13-mo-avg on income statement

104,673,223

13.73%

CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION  
RATE OF RETURN REPORT  
December 31, 2009

ADJUSTMENTS TO GROSS MARGIN

For the 12 Months Ending December 31, 2009

<u>PGA REVENUES</u>	
PGA Revenues	\$0
Unregulated Revenues	\$0
Revenue Related Taxes	\$263,141
Conservation Revenues	\$588,309
Interest Income	<u>(\$11,308)</u>
Total Revenues	\$840,141

<u>PGA EXPENSES</u>	
PGA Expenses	\$0
Unregulated expenses	\$0
Revenue Related Taxes	\$263,141
Conservation Expenses	<u>\$588,309</u>
Total Expenses	\$851,450

FLORIDA DIVISION  
ALLOCATION OF COMMON PLANT  
December 31, 2009

PLANT		13 Mo. Avg.	Percent Non-Utility	Non-Utility Adjustment
Acct. #	Acct. Name			
374	Land	\$ 153,278	0.00%	\$0
375	Structures & Improvements	\$ 365,219	4.30%	\$15,704
387	Other Equipment	\$ 464,717	7.20%	\$33,460
389	Land	\$ 98,285	33.50%	\$32,925
390	Structures & Improvements	\$ 608,254	7.20%	\$203,765 (1)
391	Office furniture & Equipment	\$ 655,002	22.20%	\$47,160
392	Autos & Trucks	\$ 1,098,454	0.00%	\$0
394	Tool, Shop & Garage	\$ 154,260	0.00%	\$0
396	Power Operated Equipment	\$ 493,528	7.20%	\$0
397	Communications Equipment	\$ 837,664	0.00%	\$0
398	Miscellaneous Equipment	\$ 60,058	0.00%	\$0
	<b>Total Common Plant</b>	<b>\$ 4,989,719</b>		<b>\$637,183</b>

(1) 2nd story of office bldg. included in this number

ACCUMULATED DEPRECIATION		13 Mo. Avg.	Percent Non-Utility	Non-Utility Adjustment
Acct. #	Acct. Name			
374	Land	\$	0.00%	\$0
375	Structures & Improvements	\$ 123,995.00	4.30%	\$5,332
387	Other Equipment	\$ 232,029.00	7.20%	\$16,706
389	Land	\$0	33.50%	\$0
390	Structures & Improvements	\$ 126,746.00	33.50%	\$42,460 (2)
391	Office furniture & Equipment	\$ 252,315.00	7.20%	\$18,167
392	Autos & Trucks	\$ 541,824.00	22.20%	\$120,285
394	Tool, Shop & Garage	\$ 133,445.00	0.00%	\$0
396	Power Operated Equipment	\$ 441,517.00	0.00%	\$0
397	Communications Equipment	\$ 292,382.00	7.20%	\$21,052
398	Miscellaneous Equipment	\$ 50,402.00	0.00%	\$0
	<b>Total Common Plant</b>	<b>\$2,194,655</b>		<b>\$274,001</b>

(2) 2nd story of office bldg. included in this number

DEPRECIATION		12MO Depreciation Expense	Percent Non-Utility	Non-Utility Adjustment
Acct. #	Acct. Name			
374	Land	\$0	0.00%	\$0
375	Structures & Improvements	\$10,204	4.30%	\$439
387	Other Equipment	\$25,278	7.20%	\$1,820
389	Land	\$0	33.50%	\$0
390	Structures & Improvements	\$12,175	33.50%	\$4,079
391	Office furniture & Equipment	\$18,646	7.20%	\$1,343
392	Autos & Trucks	(\$42,589)	22.20%	(\$9,455)
394	Tool, Shop & Garage	\$4,775	0.00%	\$0
396	Power Operated Equipment	\$38,012	0.00%	\$0
397	Communications Equipment	\$55,494	7.20%	\$3,956
398	Miscellaneous Equipment	\$4,024	0.00%	\$0
	<b>Total Common Plant</b>	<b>\$126,019</b>		<b>\$2,721</b>

Do not include AMR 397.1

Do not include AMR 397.1

PLANT			Year End	Percent Non-Utility	Non-Utility Adjustment
Acct. #	Acct. Name				
374	Land	\$	153,278	0.00%	\$0
375	Structures & Improvements	\$	363,540	4.30%	\$15,632
387	Other Equipment	\$	475,409	7.20%	\$34,229
389	Land	\$	98,285	33.50%	\$32,925
390	Structures & Improvements	\$	613,405	33.50%	\$205,491
391	Office furniture & Equipment	\$	748,635	7.20%	\$53,902
392	Autos & Trucks	\$	1,040,267	22.20%	\$230,939
394	Tool, Shop & Garage	\$	160,662	0.00%	\$0
396	Power Operated Equipment	\$	502,111	0.00%	\$0
397	Communications Equipment	\$	759,045	7.20%	\$54,651
398	Miscellaneous Equipment	\$	60,058	0.00%	\$0
	<b>Total Common Plant</b>	\$	<b>4,974,695</b>		<b>\$627,770</b>

Do not include AMR 397.1

ACCUMULATED DEPRECIATION			Year End	Percent Non-Utility	Non-Utility Adjustment
Acct. #	Acct. Name				
374	Land	\$	\$0	0.00%	\$0
375	Structures & Improvements	\$	129,085.00	4.30%	\$5,551
387	Other Equipment	\$	244,816.00	7.20%	\$17,627
389	Land	\$	\$0	33.50%	\$0
390	Structures & Improvements	\$	132,861.00	33.50%	\$44,508
391	Office furniture & Equipment	\$	250,317.00	7.20%	\$18,023
392	Autos & Trucks	\$	529,056.00	22.20%	\$117,450
394	Tool, Shop & Garage	\$	135,835.00	0.00%	\$0
396	Power Operated Equipment	\$	460,661.00	0.00%	\$0
397	Communications Equipment	\$	316,460.00	7.20%	\$22,785
398	Miscellaneous Equipment	\$	52,413.00	0.00%	\$0
	<b>Total Common Plant</b>	\$	<b>\$2,251,524</b>		<b>\$225,944</b>

Do not include AMR 397.1





FLORIDA DIVISION  
FLEXIBLE GAS SERVICE  
SUMMARY  
December 31, 2009

Plant	Acqm. Dappr.	Calc. Working Capital	Revenue	Calc. O&M Exp.	PPT	Depr. Exp.	
Dec-04	\$259,136	\$1,485	\$9,004	\$1,250	\$3,765	\$409	\$842
Jan-05	\$4,377	\$9,004	\$9,004	\$1,250	\$3,765	\$409	\$842
Feb-05	\$259,136	\$5,166	\$9,004	\$13,050	\$3,765	\$409	\$842
Mar-05	\$6,000	\$9,004	\$9,004	\$13,050	\$3,765	\$409	\$842
Apr-05	\$6,852	\$9,004	\$9,004	\$13,050	\$3,765	\$409	\$842
May-05	\$7,694	\$9,004	\$9,004	\$13,050	\$3,765	\$409	\$842
Jun-05	\$8,536	\$9,004	\$9,004	\$13,050	\$3,765	\$409	\$842
Jul-05	\$9,378	\$9,004	\$9,004	\$13,050	\$3,765	\$409	\$842
Aug-05	\$10,220	\$9,004	\$9,004	\$13,050	\$3,765	\$409	\$842
Sep-05	\$11,062	\$9,004	\$9,004	\$13,050	\$3,765	\$409	\$842
Oct-05	\$11,904	\$9,004	\$9,004	\$13,050	\$3,765	\$409	\$842
Nov-05	\$12,746	\$9,004	\$9,004	\$13,050	\$3,765	\$409	\$842
Dec-05	\$13,588	\$9,004	\$9,004	\$13,050	\$3,765	\$409	\$842
Jan-06	\$14,430	\$9,004	\$9,004	\$13,050	\$3,765	\$409	\$842
Feb-06	\$15,272	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Mar-06	\$16,114	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Apr-06	\$16,956	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
May-06	\$17,798	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jun-06	\$18,640	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jul-06	\$19,482	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Aug-06	\$20,324	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Sep-06	\$21,166	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Oct-06	\$22,008	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Nov-06	\$22,850	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Dec-06	\$23,692	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jan-07	\$24,534	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Feb-07	\$25,376	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Mar-07	\$26,218	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Apr-07	\$27,060	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
May-07	\$27,902	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jun-07	\$28,744	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jul-07	\$29,586	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Aug-07	\$30,427	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Sep-07	\$31,269	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Oct-07	\$32,111	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Nov-07	\$32,953	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Dec-07	\$33,795	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jan-08	\$34,637	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Feb-08	\$35,479	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Mar-08	\$36,321	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Apr-08	\$37,163	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
May-08	\$38,005	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jun-08	\$38,847	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jul-08	\$39,689	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Aug-08	\$40,531	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Sep-08	\$41,373	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Oct-08	\$42,215	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Nov-08	\$43,057	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Dec-08	\$43,899	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jan-09	\$44,741	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Feb-09	\$45,583	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Mar-09	\$46,425	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Apr-09	\$47,267	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
May-09	\$48,109	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jun-09	\$48,951	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jul-09	\$49,793	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Aug-09	\$50,635	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Sep-09	\$51,477	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Oct-09	\$52,319	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Nov-09	\$53,161	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Dec-09	\$54,003	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
Jan-10	\$54,845	\$9,004	\$9,004	\$13,050	\$3,765	\$392	\$842
11 Month Average	\$29,793	\$9,004	\$156,600	\$45,184	\$4,103	\$10,104	

FLORIDA DIVISION  
NON-UTILITY O & M  
December 31, 2009

**PAYROLL & BENEFIT ALLOCATION**

Net Plant	<u>13 Mo. Avg.</u>
	\$40,279,209
Common Plant Adj.	\$413,182
Propane Plant	\$0
Non-utility Plant	<u>\$413,182</u>
% Non-Utility	1.03%
Salary Plus Benefits @ 40%	<u>\$530,274 (1)</u>

Non Utility Portion of Sal. & Ben.  
Salaries Plus Benefits  
@ 40 % - New Positions

\$5,440  
\$12,200 (2)

**Payroll Adjustment based  
on non-utility plant %**

\$17,639

<u>Payroll by Individual</u>	<u>Annual Salary</u>
Asst. VP	\$120,000
Finance Mgr.	\$93,876
Admin. Asst.	\$30,292
Accountant	\$35,384
Accountant	\$36,913
Accountant	\$24,086
Purchase\Inv.	\$38,216
Total Salaries	<u>\$378,767 (1)</u>

<u>New Positions</u>	<u>Non-Utility %</u>	<u>Salary</u>
Scheduler	N/A	
Sales Rep	10.00%	\$2,415
Project Coordinator	25.00%	\$6,299
Salaries - New Positions		<u>\$8,714</u>
Salaries Plus Benefits @ 40 % - New Positions		<u>\$12,200 (2)</u>

FLORIDA DIVISION  
ANALYSIS OF DEFERRED TAX ACCTS  
December 31, 2009

This calculation is to update capital structure components on Schedule 4 and to eliminate impact of FASB 109 entries on balance sheet.

	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	13 MO AVG
25DP-2822	(\$6,352,407)	(\$6,352,407)	(\$6,352,407)	(\$6,390,102)	(\$6,390,102)	(\$6,390,102)	(\$6,477,102)	(\$6,477,102)	(\$6,477,102)	(\$7,433,750)	(\$7,433,750)	(\$7,433,750)	(\$6,955,148)	(\$6,685,787)
25SD-2832	\$37,509	\$37,509	\$37,509	\$37,509	\$37,509	\$37,509	\$37,509	\$37,509	\$37,509	\$178,264	\$178,264	\$178,264	\$ 186,290	\$81,436
25BD-2831	\$28,112	\$28,112	\$28,112	\$28,112	\$28,112	\$28,112	\$28,112	\$28,112	\$28,112	\$28,112	\$28,112	\$28,112	\$ 4,214	\$26,274
25ID-2531	(\$48,143)	(\$48,143)	(\$48,143)	(\$48,143)	(\$48,143)	(\$48,143)	(\$48,143)	(\$48,143)	(\$48,143)	(\$48,143)	(\$48,143)	(\$48,143)	(\$65,671)	(\$49,491)
25DR-2831	\$59,926	\$59,926	\$59,926	\$59,926	\$59,926	\$59,926	\$59,926	\$59,926	\$59,926	\$59,926	\$59,926	\$59,926	\$ 76,178	\$61,176
25CN-2831	\$286,949	\$286,949	\$286,949	\$286,949	\$286,949	\$286,949	\$286,949	\$286,949	\$286,949	\$286,949	\$286,949	\$286,949	\$ 240,798	\$283,399
25FN-2832	(\$103,480)	(\$103,480)	(\$103,480)	(\$103,480)	(\$103,480)	(\$103,480)	(\$103,480)	(\$103,480)	(\$103,480)	(\$103,480)	(\$103,480)	(\$103,480)	(\$136,619)	(\$106,029)
25FR-2832	(\$41,639)	(\$41,639)	(\$41,639)	(\$41,639)	(\$41,639)	(\$41,639)	(\$41,639)	(\$41,639)	(\$41,639)	(\$41,639)	(\$41,639)	(\$41,639)	(\$ 6,530)	(\$38,938)
25IA-2832	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188	\$ -	\$2,943
25OH-2832	\$94,928	\$94,928	\$94,928	\$94,928	\$94,928	\$94,928	\$94,928	\$94,928	\$94,928	\$94,928	\$94,928	\$94,928	\$ 94,928	\$94,928
25PG-2831	(\$4,618)	(\$4,618)	(\$4,618)	(\$4,618)	(\$4,618)	(\$4,618)	(\$4,618)	(\$4,618)	(\$4,618)	(\$4,618)	(\$4,618)	(\$4,618)	\$ -	(\$4,263)
25PN-2832	\$53,986	\$53,986	\$53,986	\$53,986	\$53,986	\$53,986	\$53,986	\$53,986	\$53,986	\$53,986	\$53,986	\$53,986	\$ 53,986	\$53,986
25PR-2832	\$37,929	\$37,929	\$37,929	\$37,929	\$37,929	\$37,929	\$37,929	\$37,929	\$37,929	\$37,929	\$37,929	\$37,929	\$ 37,929	\$37,929
25RC-2832	(\$1,091)	(\$1,091)	(\$1,091)	(\$1,091)	(\$1,091)	(\$1,091)	(\$1,091)	(\$1,091)	(\$1,091)	(\$1,091)	(\$1,091)	(\$1,091)	(\$129,361)	(\$10,958)
25SI-283	\$31,599	\$31,599	\$31,599	\$31,599	\$31,599	\$31,599	\$31,599	\$31,599	\$31,599	\$31,599	\$31,599	\$31,599	\$ 34,594	\$31,829
25TC-2832	(\$37,978)	(\$37,978)	(\$37,978)	(\$37,978)	(\$37,978)	(\$37,978)	(\$37,978)	(\$37,978)	(\$37,978)	(\$37,978)	(\$37,978)	(\$37,978)	\$ 0	(\$35,057)
subtotal	(\$5,955,230)	(\$5,955,230)	(\$5,955,230)	(\$5,992,925)	(\$5,992,925)	(\$5,992,925)	(\$6,079,925)	(\$6,079,925)	(\$6,079,925)	(\$6,895,818)	(\$6,895,818)	(\$6,895,818)	(\$6,564,412)	(\$6,256,624)
25DP-2829	(\$13,911)	(\$13,911)	(\$13,911)	(\$13,911)	(\$13,911)	(\$13,911)	(\$13,911)	(\$13,911)	(\$13,911)	(\$13,911)	(\$13,911)	(\$13,911)	(\$13,911)	(\$13,911)
25AF-2829	(\$2,432)	(\$2,432)	(\$2,432)	(\$2,432)	(\$2,432)	(\$2,432)	(\$2,432)	(\$2,432)	(\$2,432)	(\$2,432)	(\$2,432)	(\$2,432)	\$23,467	(\$440)
1751-1823	\$35,984													\$2,768
S/T 109	\$19,641	(\$16,343)	(\$16,343)	(\$16,343)	(\$16,343)	(\$16,343)	(\$16,343)	(\$16,343)	(\$16,343)	(\$16,343)	(\$16,343)	(\$16,343)	\$9,556	(\$11,583)
total	(\$5,935,589)	(\$5,971,573)	(\$5,971,573)	(\$6,009,268)	(\$6,009,268)	(\$6,009,268)	(\$6,096,268)	(\$6,096,268)	(\$6,096,268)	(\$6,912,161)	(\$6,912,161)	(\$6,912,161)	(\$6,554,856)	(\$6,268,206)
25IT	(\$152,289)	(\$150,662)	(\$149,035)	(\$147,408)	(\$145,781)	(\$144,154)	(\$142,527)	(\$140,900)	(\$139,273)	(\$137,646)	(\$136,019)	(\$134,392)	(\$132,765)	(\$142,527)

CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION  
RATE OF RETURN REPORT  
December 31, 2009

OUT OF PERIOD ADJUSTMENTS

For the 12 Months Ending December 31, 2009

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ACLARA CREDIT

(\$77,347)

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(\$77,347)