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January 13, 1997

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

HAND DELIVERY

CALL
FILE COPY

RE: Docket No. **970002-EG**
Conservation Cost Recovery Clause

Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Chesapeake Utilities Corporation are an original and fifteen copies of the following:

1. Petition for Approval of Conservation Cost Recovery Factors; -00416-97
2. Direct Testimony of William M. Nettles; } 00417-97
3. Exhibit WMN-2; } 00417-97
4. Preliminary Statement of Issues and Positions; -00418-97
5. Prehearing Statement; and } 00419-97
6. our Certificate of Service; } 00419-97

ACK _____
 AFA 2
 AFP _____
 DAF _____
 DMU _____
 DTA _____
 EAC _____

Please acknowledge receipt of the foregoing by stamping the enclosed extra copy of this letter and returning same to my attention. Thank you for your assistance.

Sincerely,

Wayne L. Schiefelbein
Wayne L. Schiefelbein

1
3 + original
WLS/pav
Enclosures

JH _____
 C 1
 WAS _____
 OTH _____

ORIGINAL
FILE COPY

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In. Re: Conservation Cost Recovery Clause

DIRECT TESTIMONY OF WILLIAM M. NETTLES

On Behalf of

Chesapeake Utilities Corporation

DOCKET NO. 970002-EG

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Q. Please state your name, business address, by whom you are employed, and in what capacity.

A. My name is William M. Nettles, and my business address is 1015 6th Street N.W., Winter Haven, Florida, 33881. I am employed by Chesapeake Utilities Corporation ("Chesapeake") as Assistant Transportation & Exchange Coordinator / Conservation Services Analyst.

Q. Are you familiar with the energy conservation programs of Chesapeake and costs which have been, and are projected to be, incurred in their implementation?

A. Yes.

Q. What is the purpose of your testimony in this docket?

A. To describe generally the expenditures made and projected to be made in implementing, promoting, and operating Chesapeake's energy conservation programs. This will include recoverable costs incurred in October and November, 1996 and projections of programs costs to be incurred from December, 1996 through September, 1997. It will also include projected conservation costs for the period October 1, 1997 through March 31, 1998, with a calculation of the conservation adjustment factors to be applied to the customers' bills during the collection period of April 1, 1997 through March 31, 1998.

Q. Have you prepared summaries of Chesapeake's conservation programs and the costs

ACK 18
AFA _____
APP 19
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1 associated with these programs?

2 A. Yes. Summaries of the five programs are contained in Schedule C-4 of Exhibit
3 WMN-2. Included are our Single and Multi-Family Home Builder Program, our
4 Water Heater Replacement Program, our Replacement of Electric Strip and Oil
5 Heating Program, our Natural Gas Space Conditioning Program, and our
6 Conservation Education Program.

7 Q. Have you prepared schedules which show the expenditures associated with
8 Chesapeake's energy conservation programs for the periods you have mentioned?

9 A. Yes. Schedule C-3 of Exhibit WMN-2 shows actual expenses for the months
10 October and November, 1996. Projections for December, 1996 through September,
11 1997, are also shown on Schedule C-3. Projected expenses for the October, 1997
12 through March, 1998 period are shown on Schedule C-2 of Exhibit WMN-2.

13 Q. Have you prepared schedules which show revenues for the period October, 1996
14 through March, 1997?

15 A. Yes. Schedule C-3 (Page 6 of 7, Line 4) shows actual revenues for the months
16 October and November, 1996. Projections for December, 1996 through September,
17 1997, are also shown on Schedule C-3 (Page 6 of 7, Line 4).

18 Q. Have you prepared a schedule which shows the calculation of Chesapeake's proposed
19 conservation adjustment factors to be applied during billing periods from April 1,
20 1997 through March 31, 1998?

21 A. Yes. Schedule C-1 of Exhibit WMN-2 shows this calculation. Net program cost
22 estimates for the period October 1, 1997, through March 31, 1998, are used. The
23 estimated true-up amount from Schedule C-3 (Page 6 of 7, Line 12) of Exhibit
24 WMN-2, being an underrecovery, was added to the total of the projected costs for the
25 six-month period. The total amount was then divided among Chesapeake's firm rate

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classes, based on total projected contribution. The results were then divided by the projected retail firm therm sales for each rate class for the twelve-month period ending March 31, 1998. The resulting factors are shown on Schedule C-1 of Exhibit WMN-2.

Q. Does this conclude your testimony?

A. Yes, it does.

Exhibit _____ (WMN-2)

CHESAPEAKE UTILITIES CORPORATION
CONSERVATION COST RECOVERY PROJECTION
October 1, 1997 through March 31, 1998

DOCUMENT # _____ DATE
00417 JAN 13 5
FPSC-RECORDS/REPORTING

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD	APRIL 1997 THROUGH MARCH 1998
ACTUAL/ESTIMATED PERIOD	OCTOBER 1996 THROUGH SEPTEMBER 1997
FINAL TRUE-UP PERIOD	OCTOBER 1995 THROUGH SEPTEMBER 1996
COLLECTION PERIOD FOR PRIOR TRUE-UP	APRIL 1997 THROUGH MARCH 1998

1	INCREMENTAL COSTS (SCHEDULE C-2)	117,839
2	TRUE-UP (SCHEDULE C-3)	<u>75,870</u>
3	TOTAL	<u>193,710</u>

RATE CLASS	BILLS	THERM SALES	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	CENTS PER THERM	EXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
GS RESIDENTIAL	96,986	2,125,257	630,409	916,538	1,546,947	75,577	4.8856%	0.0356	1.01911	0.03624
GS COMMERCIAL	279	4,313,725	4,185	842,557	846,742	41,368	4.8856%	0.0096	1.01911	0.00977
GS COMMERCIAL LV	264	1,546,914	5,280	208,292	213,572	10,434	4.8856%	0.0067	1.01911	0.00687
GS INDUSTRIAL	459	7,222,021	18,360	530,874	549,034	26,824	4.8856%	0.0037	1.01911	0.00379
FIRM TRANSPORTATION	0	11,004,710	0	808,626	808,626	39,506	4.8856%	0.0036	1.01911	0.00366
OTHER										
OTHER										
TOTAL	97,988	26,212,627	658,234	3,306,687	3,964,921	193,710				

PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD APRIL 1997 THROUGH MARCH 1998

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	9,315	0	12,000	78,296	0	1,086	0	100,697
2 WATER HEATER REPLACEMENT	0	1,659	0	2,100	6,115	0	324	0	10,197
3 HOME HEATING REPLACE	0	759	0	2,100	2,863	0	164	0	5,885
4 CONSERVATION EDUCATION	0	0	180	0	0	0	0	0	180
5 COMMON COSTS	0	0	0	0	0	430	0	0	430
6 GAS SPACE CONDITIONING	0	0	0	0	450	0	0	0	450
7 (INSERT NAME)	0	0	0	0	0	0	0	0	0
8 (INSERT NAME)	0	0	0	0	0	0	0	0	0
9 (INSERT NAME)	0	0	0	0	0	0	0	0	0
10 (INSERT NAME)	0	0	0	0	0	0	0	0	0
11 (INSERT NAME)	0	0	0	0	0	0	0	0	0
12 (INSERT NAME)	0	0	0	0	0	0	0	0	0
13 (INSERT NAME)	0	0	0	0	0	0	0	0	0
14 (INSERT NAME)	0	0	0	0	0	0	0	0	0
15 (INSERT NAME)	0	0	0	0	0	0	0	0	0
16 (INSERT NAME)	0	0	0	0	0	0	0	0	0
17 (INSERT NAME)	0	0	0	0	0	0	0	0	0
18 (INSERT NAME)	0	0	0	0	0	0	0	0	0
19 (INSERT NAME)	0	0	0	0	0	0	0	0	0
20 (INSERT NAME)	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	0	11,732	180	16,200	87,724	430	1,574	0	117,839
LESS: AMOUNT IN RATE BASE	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSER	0	11,732	180	16,200	87,724	430	1,574	0	117,839

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD OCTOBER 1996 THROUGH SEPTEMBER 1997
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM									
A ACTUAL	0	3 602	0	4 212	25 032	0	362	0	33 208
B ESTIMATED	0	15 220	0	20 000	130 494	0	1 810	0	167 524
C TOTAL	0	18 822	0	24 212	155 525	0	2 172	0	200 733
2 WATER HEATER REPLACEMENT									
A ACTUAL	0	1 046	0	184	1 672	0	108	0	3 010
B ESTIMATED	0	2 710	0	3 500	10 191	0	540	0	16 941
C TOTAL	0	3 756	0	3 684	11 863	0	647	0	19 950
3 HOME HEATING REPLACE									
A ACTUAL	0	1 059	0	184	770	0	55	0	2 068
B ESTIMATED	0	1 240	0	3 500	4 771	0	273	0	9 784
C TOTAL	0	2 299	0	3 684	5 541	0	327	0	11 852
4 CONSERVATION EDUCATION									
A ACTUAL	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	300	0	0	0	0	0	300
C TOTAL	0	0	300	0	0	0	0	0	300
5 COMMON COSTS									
A ACTUAL	0	0	0	0	0	143	0	0	143
B ESTIMATED	0	0	0	0	0	717	0	0	717
C TOTAL	0	0	0	0	0	860	0	0	860
6 GAS SPACE CONDITIONING									
A ACTUAL	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	1,000	750	0	0	0	1,750
C TOTAL	0	0	0	1,000	750	0	0	0	1,750
7 (INSERT NAME)									
A ACTUAL	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
SUB-TOTAL	0	24 878	700	32 580	173 680	860	3 147	0	235 444

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD OCTOBER 1996 THROUGH SEPTEMBER 1997
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
BALANCE FROM PREVIOUS PAGE	0	24,878	300	32,580	173,680	860	3,147	0	235,444
8 (INSERT NAME)									
A ACTUAL	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
9 (INSERT NAME)									
A ACTUAL	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
10 (INSERT NAME)									
A ACTUAL	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
11 (INSERT NAME)									
A ACTUAL	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
12 (INSERT NAME)									
A ACTUAL	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
13 (INSERT NAME)									
A ACTUAL	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
SUB-TOTAL	0	24,878	300	32,580	173,680	860	3,147	0	235,444

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD OCTOBER 1996 THROUGH SEPTEMBER 1997
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
BALANCE FROM PREVIOUS PAGE	0	24,878	300	32,580	173,680	860	3,147	0	235,444
14 (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
15 (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
16 (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
17 (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
18 (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
19 (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
20 (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B ESTIMATED	0	0	0	0	0	0	0	0	0
C TOTAL	0	0	0	0	0	0	0	0	0
TOTAL PROG COSTS	0	24,878	300	32,580	173,680	860	3,147	0	235,444
LESS BASE RATE RECOVERY	0	0	0	0	0	0	0	0	0
NET PROG COSTS	0	24,878	300	32,580	173,680	860	3,147	0	235,444

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR PERIOD OCTOBER 1996 THROUGH SEPTEMBER 1997
TWO MONTHS ACTUAL AND 10 MONTHS ESTIMATED

	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
CONSERVATION REVS													
1 RCS AUDIT FEE	0	0	0	0	0	0	0	0	0	0	0	0	0
2 OTHER PROG REVS	0	0	0	0	0	0	0	0	0	0	0	0	0
3 CONSERV ADJ REVS	(14,858)	(17,619)	(29,478)	(32,666)	(34,478)	(26,158)	0	0	0	0	0	0	(155,258)
4 TOTAL REVENUES	(14,858)	(17,619)	(29,478)	(32,666)	(34,478)	(26,158)	0	0	0	0	0	0	(155,258)
5 PRIOR PERIOD TRUE- UP NOT APPLICABLE TO THIS PERIOD	(366)	(366)	(366)	(366)	(366)	(366)	(366)	(366)	(366)	(366)	(366)	(367)	(4,393)
6 CONSERV REVS APPLICABLE TO THE PERIOD	(15,224)	(17,985)	(29,844)	(33,032)	(34,844)	(26,524)	(366)	(366)	(366)	(366)	(366)	(367)	(159,651)
7 CONSERV EXPS	25,106	13,323	19,672	19,672	19,672	19,672	19,972	19,672	19,672	19,672	19,672	19,672	235,444
8 TRUE-UP THIS PERIOD	9,882	(4,662)	(10,172)	(13,361)	(15,173)	(6,853)	19,606	19,306	19,306	19,306	19,306	19,305	75,794
9 INTER PROVISION THIS PERIOD	3	17	(16)	(73)	(142)	(196)	(163)	(66)	31	129	227	326	77
10 TRUE-UP AND INTEREST PROV BEG OF MONTH	(4,393)	5,858	1,579	(8,243)	(21,311)	(36,260)	(42,942)	(23,134)	(3,529)	16,174	35,975	55,873	(4,393)
11 PRIOR TRUE-UP COLLECTED OR (REFUNDED)	366	366	366	366	366	366	366	366	366	366	366	367	4,393
12 TOTAL NET TRUE-UP	5,858	1,579	(8,243)	(21,311)	(36,260)	(42,942)	(23,134)	(3,529)	16,174	35,975	55,873	75,870	75,870

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR PERIOD OCTOBER 1996 THROUGH SEPTEMBER 1997
TWO MONTHS ACTUAL AND 10 MONTHS ESTIMATED

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	(4 393)	5 858	1 579	(8 243)	(21 311)	(36 260)	(42 942)	(23 134)	(3 529)	16 174	35 975	55 873	
2 ENDING TRUE-UP BEFORE INTEREST	5 855	1 562	(8 227)	(21 237)	(36 117)	(42 747)	(22 971)	(3 463)	16 143	35 848	55 646	75 545	
3 TOTAL BEGINNING & ENDING TRUE-UP	1 462	7 421	(6 648)	(29 480)	(57 428)	(79 006)	(65 913)	(26 597)	12 614	52 020	91 621	131 418	
4 AVERAGE TRUE-UP (LINE 3 TIMES 50%)	731	3 710	(3 324)	(14 740)	(28 714)	(39 503)	(32 957)	(13 299)	6 307	26 010	45 810	65 709	
5 INTEREST RATE FIRST DAY OF REPORTING MONTH	5 44%	5 38%	5 45%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	
6 INTER RATE - FIRST DAY SUBSEQUENT MONTH	5 38%	5 45%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	
7 TOTAL (SUM LINES 5 & 6)	10 82%	10 83%	11 40%	11 90%	11 90%	11 90%	11 90%	11 90%	11 90%	11 90%	11 90%	11 90%	
8 AVG. INTEREST RATE (LINE 7 TIMES 50%)	5 41%	5 42%	5 70%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	5 95%	
9 MONTHLY AVG INTEREST RATE	0 45%	0 45%	0 48%	0 50%	0 50%	0 50%	0 50%	0 50%	0 50%	0 50%	0 50%	0 50%	
10 INTEREST PROVISION	3	17	(16)	(73)	(142)	(196)	(163)	(66)	31	129	227	326	77

Schedule C-4
Page 1 of 5

**CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION**

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 allowances to assist builders in defraying the additional costs associated with the piping and venting of natural gas equipment.

Program Allowances:

- \$220 Per Energy Efficient Natural Gas Water Heater
- \$220 Per Energy Efficient Natural Gas Furnace
- \$38 Per Energy Efficient Natural Gas Range or Dryer Outlet

Program Projections:

For the two month period October through November, 1996, 64 residences qualified under our home builder program. We estimate an additional 261 homes will qualify during the period December 1996 through September 1997. We estimate that 75% of these will also be equipped with either a natural gas range or a natural gas clothes dryer outlet.

Program Fiscal Expenditures:

For the two month period October through November, 1996, CUC incurred costs of \$33,208 for the Home Builder Program. For December, 1996 through September, 1997, costs are estimated to be \$167,524.

Schedule C-4
Page 2 of 5

**CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION**

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. Incentives are offered in the form of allowances to assist in defraying the additional costs associated with the piping and venting of natural gas equipment.

Program Allowances:

\$220 Per Energy Efficient Natural Gas Water Heater
\$33 Per Installing Dealer

Program Projections:

For the two month period October through November, 1996, CUC paid allowances on 9 new natural gas water heaters. We estimate an additional 41 water heaters will be installed during the period December 1996 through September 1997.

Program Fiscal Expenditures:

For the two month period October through November, 1996, CUC incurred costs of \$3,010 for the Water Heater Replacement Program. For December, 1996 through September, 1997, costs are estimated to be \$16,941.

Schedule C-4
Page 3 of 5

**CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION**

Program Title:

Replacement of Electric Strip and Oil Heating Program

Program Description:

This program is designed to reduce KWD and KWH consumption, and the direct use of oil, by encouraging the replacement of electric strip and oil heating equipment with energy efficient natural gas furnaces.

Program Allowances:

\$330 Per Energy Efficient Natural Gas Furnace
\$55 Per Installing Dealer (Furnace)
\$55 Per Spark Ignition Natural Gas Space Heater
\$22 Per Installing Dealer (Space Heater)

Program Projections:

For the two month period October through November, 1996, CUC paid allowances on 5 new natural gas furnaces. We estimate an additional 10 energy efficient natural gas furnaces will be installed during the period December 1996 through September 1997.

Program Fiscal Expenditures:

For the two month period October through November, 1996, CUC incurred costs of \$2,068 for the Replacement of Electric Strip and Oil Heating Program. For December, 1996 through September, 1997, costs are estimated to be \$9,784.

Schedule C-4
Page 4 of 5

**CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION**

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 Allowances:

\$50 Per Ton Of Natural Gas Space Conditioning Equipment Installed

Program Projections:

For the two month period October through November, 1996, CUC paid no allowances on this program. We estimate 0 tons of natural gas space conditioning equipment will be installed during the period December 1996 through September 1997.

Program Fiscal Expenditures:

For the two month period October through November, 1996, CUC incurred no costs for the Natural Gas Space Conditioning Program. For December, 1996 through September, 1997, expenditures for allowances totaling \$750 are anticipated.

Schedule C-4
Page 5 of 5

**CHESAPEAKE UTILITIES CORPORATION
FLORIDA DIVISION**

Program Title:

Conservation Education Program

Program Description:

This program teaches young people and adults in the schools and in community and civic organizations about conservation of energy and seeks to establish an awareness of natural gas as a valuable resource.

Program Projections:

Over the next several months we intend to supply conservation education materials to schools in our service area.

Program Fiscal Expenditures:

None this period and \$300 planned for the balance of the period from December, 1996 through September, 1997.