

Ann Cole

090125-GU

FPSC, CLK - CORRESPONDENCE

Administrative Parties Consumer

From: Ann Cole

Sent: Friday, February 12, 2010 2:46 PM

To: Andrew Lutostanski

Cc: Commissioners Advisors; Administrative Assistants - Commission Suite

Subject: FW: Docket 090125-GU

Attachments: Chesapeake Utilities Docket No. 090125-GU.pdf

DOCUMENT NO. 09928-09

DISTRIBUTION: _____

Thank you for this information, which has been printed and will be placed in *Correspondence - Consumers and their Representatives*, in Docket No. 090125-GU.

From: Andrew Lutostanski

Sent: Friday, February 12, 2010 2:34 PM

To: Ann Cole

Subject: FW: Docket 090125-GU

Please add to the correspondence side of Docket No. 090125. Thanks.

From: Carolyn Cannon

Sent: Friday, February 12, 2010 11:39 AM

To: Andrew Lutostanski

Subject:

Basil GR Ramnarace

3 February 2010

Nancy Argenziano, Chairman
State of Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahessee, Florida 32399-0850

RE: Docket No. 090125-GU- Petition for increase in rates by Florida Division of Chesapeake Utilities Corporation

Dear Chairman Argenziano Greetings!

The above mentioned petition approved rate increase from \$30.65 to \$140.20 a month is downright unconscionable, dishonest, excessive and unjustifiable. The Tears of the people are real. When last the 'CPI' did had such an increase? This rate increase is not safe, affordable and reliable. I cannot afford this increase. For the past several years there has been no increase in the Social Security payments which I now live on. I now need to produce an additional \$4,128.59 in revenue a month. Will I now receive this additional revenue of \$4,128.59 from the FPSC? Thanks. I know you do not care if I live on 'Pop Corn" three meals a day and neglect the necessary medicine and all other essentials including taking a bath only once a month just to pay my Utility bills.

Chairman Argenziano you know what you have to do. Give us some long-term relief in credits and roll backs. Thanks
Regards

Sincerely



Basil GR Ramnarace

Basil GR Ramnarace
141 Sonja Circle
Davenport, Florida 33897

090125

COMMISSIONERS:
MATTHEW M. CARTER II, CHAIRMAN
LISA POLAK EDGAR
KATRINA J. MCMURRIAN
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STATE OF FLORIDA



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DIVISION OF ECONOMIC REGULATION
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09 NOV - 9 PM 3:03
COMMISSION
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Public Service Commission

October 9, 2009

Mr. C. Steven Haines
3686 N. Baltusrol Path
Lecanto, FL 34461

Re: Petition for increase in rates by Florida Division of Chesapeake Utilities Corporation.

Dear Mr. Haines

Thank you for your recent letter to the Florida Public Service Commission (PSC) in which you expressed concerns about the rate increase petition filed by Chesapeake Utilities (Chesapeake). To give the Commissioners and staff an opportunity to review and understand your concerns, I have placed your e-mail on the correspondence side of the docket file, docket number 090125-GU.

Thank you again for your correspondence, and if you have additional questions or need further assistance, please call our toll-free number, 1-800-342-3552.

Sincerely,

Kathleen L. Kaproth

Kathleen L. Kaproth
Professional Accountant Specialist

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 Administrative Parties Consumer
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KK:slc

cc: Office of Commission Clerk ✓

090125

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09 NOV -6 PM 4: 05

October 26, 2009

COMMISSION
CLERK

Florida Public Service Commission
Division of Regulatory Compliance and Consumer Assistance
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 090125-GU

Dear Commission Members:

On Thursday, October 15, 2009 I attended a PSC consumer meeting regarding the rate increase requested by the Florida Division of Chesapeake Utilities Corporation.

I have attached a summary of my billing from Central Florida Gas (Chesapeake Utilities) for the period from December 2008 to September 2009 (10 billing periods).

As you can see from the summary, Chesapeake is already (with no rate increase) billing me for **transportation charges that average more than twice the cost of the product being delivered** and in one period (May 2009) the **transportation charge was nearly 5 times the cost of the product being delivered.**

This is **absolutely ridiculous.** If you, the commission members, had something delivered by UPS or FedEx and the delivery charges were twice the cost of the product, I suspect you would not be happy about that.

It would appear that the residential customer who uses small amounts of natural gas is being forced to shoulder a disproportionate amount of the total cost of delivery in the Chesapeake Service area. There should be **NO** rate increase for residential customers.

I would hope that you, the commission members, remember that you are the **Public** Service Commission and not the Chesapeake Utilities Service Commission.

Thanks for listening,



C. Steven Haines

Cc: Denise Vandiver

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C. Steven Haines
3686 N. Baltusrol Path
Lecanto, FL 34461

Steve Haines – Account # 17-64-73-1 – Central Florida Gas Billings

	Transportation	Fuel
12/2008	\$ 26.68	\$ 18.55
1/2009	\$ 22.94	\$ 12.10
2/2009	\$ 23.47	\$ 11.07
3/2009	\$ 22.87	\$ 9.63
4/2009	\$ 21.18	\$ 7.10
5/2009	\$ 18.94	\$ 3.89
6/2009	\$ 31.30	\$ 17.67
7/2009	\$ 24.00	\$ 11.54
8/2009	\$ 23.44	\$ 11.25
9/2009	\$ 27.86	\$ 16.51
Total	\$ 242.68	\$ 119.31
Average	\$ 22.06	\$ 10.85

090125

COMMISSIONERS:
MATTHEW M. CARTER II, CHAIRMAN
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STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

October 6, 2009

Mr. Jerry T. Cooley
271 Lake Suzanne Dr
Lake Wales, Florida 33859

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RECEIVED-FPSC
09 OCT -6 AM 11:07
COMMISSION
CLERK

Re: ~~Petition for increase in rates by Florida Division of Chesapeake Utilities Corporation.~~

Dear Mr. Cooley:

Thank you for your recent letter to the Florida Public Service Commission (PSC) in which you expressed concerns about the rate increase petition filed by Chesapeake Utilities (Chesapeake). To give the Commissioners and staff an opportunity to review and understand your concerns, I have placed your e-mail on the correspondence side of the docket file, docket number 090125-GU.

During a rate case, the Commission's accountants, engineers and economists examine the financial and engineering information filed by the company as part of its rate increase application. The Commission's auditors also examine this information and publish the results of their findings in an audit report. Generally, the Office of Public Counsel, challenge the cost levels. All costs found to be imprudent or unreasonable are disallowed for recovery from the ratepayers. Filing a petition for rate relief does not guarantee the company will receive an increase in rates. The Commission may determine that the company's existing rates should remain unchanged, or even be reduced. However, the Commission must provide the utility the opportunity to earn a fair rate of return based on its investment used and useful in providing public service.

The following is the current rate case schedule established by the Commission. This schedule is subject to change by the Commission.

PSC Staff Recommendation – Final Rates	December 3, 2009
Commission Agenda Conference (Tallahassee)	December 15, 2009
Proposed Agency Action Order On Final Rates	January 4, 2010
Consummating Order if No Protest	January 28, 2010
Close Docket or Revise Case Schedule	February 26, 2010

You are entitled to receive safe, reliable utility service at reasonable rates, and the Commissioners are charged with making sure that companies in Florida, including Chesapeake, fulfill their service obligation.

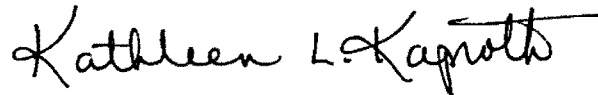
Mr. Jerry T. Cooley

Page 2

October 6, 2009

The PSC will ensure that final customer rates reflect only those costs that are prudent and necessary for Chesapeake to deliver quality gas service to your home. Thank you again for your correspondence, and if you have additional questions or need further assistance, please call our toll-free number, 1-800-342-3552.

Sincerely,

A handwritten signature in black ink that reads "Kathleen L. Kaproth". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Kathleen L. Kaproth
Professional Accountant Specialist

KK:slc

cc: Office of Commission Clerk

090125

COMMISSIONERS:
MATTHEW M. CARTER II, CHAIRMAN
LISA POLAK EDGAR
KATRINA J. MCMURRIAN
NANCY ARGENZIANO
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Public Service Commission

October 6, 2009

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09 OCT -6 AM 11:07
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Mr. William Murphy
2249 Firestone Place
Winter Haven, Florida 33884

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Re: Petition for increase in rates by Florida Division of Chesapeake Utilities Corporation.

Dear Mr. Murphy:

Thank you for your recent letter to the Florida Public Service Commission (PSC) in which you expressed concerns about the rate increase petition filed by Chesapeake Utilities (Chesapeake). To give the Commissioners and staff an opportunity to review and understand your concerns, I have placed your e-mail on the correspondence side of the docket file, docket number 090125-GU.

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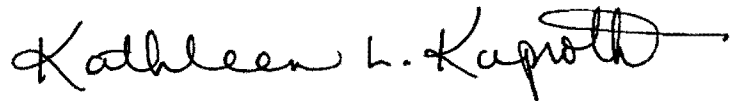
Mr. William Murphy

Page 2

October 6, 2009

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Kathleen L. Kaproth
Professional Accountant Specialist

KK:slc

cc: Office of Commission Clerk

090125

COMMISSIONERS:
MATTHEW M. CARTER II, CHAIRMAN
LISA POLAK EDGAR
KATRINA J. MCMURRIAN
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NATHAN A. SKOP

STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

October 6, 2009

Mr. Christian B. Rafool
100 Lake Region Blvd.
Winter Haven, Florida 33881

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09 OCT -6 AM 11:06
COMMISSION
CLERK

Re: Petition for increase in rates by Florida Division of Chesapeake Utilities Corporation.

Dear Mr. Rafool:

Thank you for your recent letter to the Florida Public Service Commission (PSC) in which you expressed concerns about the rate increase petition filed by Chesapeake Utilities (Chesapeake). To give the Commissioners and staff an opportunity to review and understand your concerns, I have placed your e-mail on the correspondence side of the docket file, docket number 090125-GU.

During a rate case, the Commission's accountants, engineers and economists examine the financial and engineering information filed by the company as part of its rate increase application. The Commission's auditors also examine this information and publish the results of their findings in an audit report. Generally, the Office of Public Counsel, challenge the cost levels. All costs found to be imprudent or unreasonable are disallowed for recovery from the ratepayers. Filing a petition for rate relief does not guarantee the company will receive an increase in rates. The Commission may determine that the company's existing rates should remain unchanged, or even be reduced. However, the Commission must provide the utility the opportunity to earn a fair rate of return based on its investment used and useful in providing public service.

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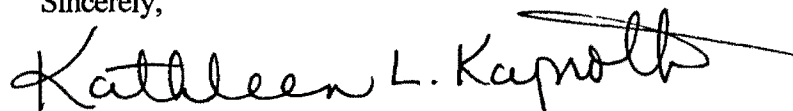
Mr. Christian B. Rafool

Page 2

October 6, 2009

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Sincerely,

A handwritten signature in black ink that reads "Kathleen L. Kaproth". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Kathleen L. Kaproth
Professional Accountant Specialist

KK:slc

cc: Office of Commission Clerk

090125

Ms Cole,

Thank you for your attention to this letter.

I strongly feel that in todays economy the rate increase being sought by Central Florida Gas is greatly over stated. Seniors are receiving no cola and propery values have plummeted. How can we continuously be asked to pay for additional profits for the gas, electric and water companies?

There is no need for additional infrastructure as we are experiencing zero population growth in Florida. Perhaps CFG, like the electric cpmpanies, are asking for a huge increase hoping to get part of what they seek. What a sham!!! Isn't it time to understand that many people are struggling to make ends meet.

Again, thak you for your time.

Jerry Cooley
Jerry Cooley
Lake Wales, Fl.

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09 SEP 28 AM 9:31

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Mr. Jerry T. Cooley
271 Lake Suzanne Dr
Lake Wales FL 33859

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09 SEP 25 AM 7:19

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09 SEP 25 AM 9:01

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September 21, 2009

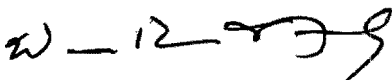
Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850

Dear Ms. Cole:

As a customer of Central Florida Gas I am opposed to a 25% increase for this firm. I do not understand why this utility would be entitled to a 25% increase in revenue, especially during the present economic situation in the state of Florida.

Thank you for your consideration.

Sincerely,



William R. Murphy

William Murphy
2249 Firestone Place
Winter Haven, FL 33884

FPSC CASE - CORRESPONDENCE
Administrative Parties/Consumer
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09 SEP 23 AM 10: 23

COMMISSION
CLERK

CONSUMER

September 21, 2009

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

Re: Docket No. 090125-GU

Dear Ms. Cole,

Please accept this letter and forward it to the Florida Public Services Commission so that I as a customer of Chesapeake Utilities Corporation and resident of the State of Florida may formally voice my opposition to the "petition" to raise its rate by an **excessive 25%**, and to lower the rate.

My opposition and rationale for a lowering of the rates charged by Chesapeake Utilities Corporation rests on the fact that "natural gas" prices as reported by Bloomberg and the Wall Street Journal have been falling and in fact have hit as recently as the last few weeks new decade lows. The price of natural gas has to be Chesapeake's single largest cost and it is lower now than at the time of their last rate increase. Chesapeake talks of its lose of customers in its service area and investment costs, however it does not recognize any cost control measures that have been taken to offset this lose of revenue as is common with businesses, citizens and government during hard economic times. Instead Chesapeake states the following:

"This requested increase would provide the Company with an opportunity to earn a fair and reasonable rate of return. In addition, the Company is proposing to maintain its currently authorized midpoint ROE of 11.50%, which would generate an overall rate of return of 7.15%".

Polk County is experiencing **falling** property values and high unemployment, which means the an overwhelming number of businesses, citizens and government are **losing** money. Chesapeake characterizes its rate increase of **25%** as necessary to "**earn a reasonable rate of return**". Their definition of "**reasonable rate of return**" is "**7.15%**". As of the date of this letter and according to Bloomberg.com, the benchmark

DOCUMENT NUMBER - DATE

09928 SEP 25 0

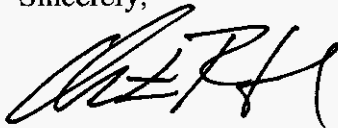
FPSC - COMMISSION CLERK

10-year United States Treasury bond has a current yield of 3.43%. Chesapeake's **"reasonable rate of return"** is actually more than double the yield on 10-year Treasury bonds. Additionally, Bloomberg gives the national average rates paid for Certificates of Deposit or CD based upon the various terms. At present a 1-year CD yields around 1.64%, 2-year CD yields around 1.95% and a 5-year CD yields 2.70%. The rates are important to consider not just because Chesapeake's **"reasonable rate of return"** of **7.15%** is anywhere from 264.81% to 435.98% of these CD rates, but because a significant percentage of the service area is composed of retirees. It is important to note, retirees are generally not able to radically adjust their incomes and are thus considered/characterized as "fixed income investors", and many are dependant upon investment vehicles like CDs. In the last few years as real estate values, stocks prices and natural gas prices have fallen, the Federal Reserve has elected to dramatically lower interest rates and have put their Federal Reserve Target Rate at 0.25%. This has had the unfortunate effect of banks dramatically lowering the rates paid on their savings accounts and CDs. In some instances, the rate paid on CDs has declined by more the 50%, and thus many retired investors have seen their income fall by that same percentage.

I encourage the commission to reject Chesapeake's petition for an interim rate increase of 25%, which is Docket No. 090125-GU, encourage them to tighten their belt for the Company's 3.21% rate of return to be experienced by the company more than a year from now (As they point out December 31, 2010) seems to be a very **"reasonable rate of return"** for it is still almost **"double"** the rate paid on a 1-year CD and not really commensurate with the pain felt by the people, businesses and government in their service area. Compassion rather than entitlement should be Chesapeake's position and withdrawal the petition and if not the Commission should educate them by denying their request with comment as to appropriateness, class and compassion.

Thank you for your consideration and compassion.

Sincerely,



Christian B. Rafool
100 lake Region Blvd. N.
Winter Haven, Florida 33881