BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition of the Florida Division of
Chesapeake Utilities Corporation
for Limited Proceeding to Restructure
Rates and for Approval of Gas
Transportation Agreements

Docket No.: 97359-G-U

REQUEST FOR CONFIDENTIAL CLASSIFICATION

THE FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION, ("Chesapeaks" or " the Company"), by and through its undersigned counsel and pursuant to Rule 25-22.006, Florida Administrative Code, hereby files a request that the Florida Public Service Commission enter an order protecting from public disclosure the following components of Chesapeake Utilities Corporation's Petition for Limited Proceeding to Restructure Rates and for Approval of Gas Transportation Agreements ("Petition"): 1) Exhibit 2; 2) Exhibit 3; 3) Exhibit 4; 4) Exhibit 5; and 5) Exhibit 6, ("the Exhibits"), which are submitted for filing concurrently herewith. As grounds for this request, the Company states:

- On November 26, 1997, the Company submitted to the Commission a Petition for Limited

 Proceeding to Restructure Rates and for Approval of Gas Transportation Agreements.
- 2. The Company asserts that certain information contained in the Exhibits are entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of the Company and the two entities with whom it has negotiated Gas Transportation Agreements for which Commission approval is sought by the Petition. The Exhibits contain certain proprietary and commercially sensitive information that is not otherwise publicly available.

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- be granted confidential classification pursuant to Section 366 093(3)(e), Florida Statutes to uneconomic bypass of the Company's facilities. Thus, the Company requests that this information disclosure of their confidential information by reflaing to negotiate with the Company made public, fixure potential Gas Transportation Agreement customers may avoid the risk of public impact the customers' ability to compete in their native markets. In the event such information is Company has entered into said Gas Transportation Agreements because its public disclosure would information is also regarded as sensitive and confidential by the two customers with whom the Company from successfully associating Gas Transportation Agreements with customers. its general body of customers. Moreover, the public disclosure of this information may prevent the conditions in future Cas Transportation Agreements that are the most favorable to the Company and disclosure of this information would impair the ability of the Company to negotiate terms and irreparable harm to the Company and the two entities with whom it has entered into said Gas regarding derivation of special contract customers' rate design, contractual terms and pricing. Public Transportation Agreements. The Exhibits contain proprietary confidential business information The public disclosure of certain information contained in the Exhibits would cause Thus may lead 귷
- line justification for this Request for confidential classification be made available for public review and inspection. Composite Attachment "C" haroto is a line-byhighlighted the specific information for which confidential classification is requested. Attachment "B' hereto consists of two (2) edited (or reducted) copies of the Exhibits, which may Attachment "A" should be treated as confidential pending a ruling on this Request. Submitted herewith as Composite Attachment "A" is a copy of the Exhibits, on which is Composite Composite
- The meterial for which confidential classification is requested is intended to it, and is

treated as, confidential by the Company and the two entities with whom it has entered into said. Gas.

Transportation Agreements and has not been otherwise publicly disclosed.

6. The Company requests that the information for which it seeks confidential classification not be declassified any earlier than 18 months after issuance of the Order granting this Request for Confidential Classification.

V. rIEREPORE, Chesapeaks Utilities Corporation respectfully requests that the Commission enter an order protecting the information highlighted on Composite Attachment "A" from public disclosure as proprietary confidential business information.

Respectfully submitted.

Wayne L. Schiefelbein

Gatlin, Schiefelbein & Cowdery

1709-D Mahan Drive

Tallahassee, Florida 32308

(\$50) \$77-5609

Attorneys for Chesapeake Utilities Corporation

COMPOSITE ATTACHMENT "A"

REQUEST FOR CONFIDENTIAL CLASSIFICATION

The highlighted information provided herein should be maintained as proprietary confidential business information pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, F.A.C.

Exhibit 2": Detailed Cost of Service Study

Exhibit "3": Supplemental Cost of Service Data - IMC

Exhibit "4": Supplemental Cost of Service Data - Alumax

Exhibit "5": Gas Transportation Agreement with IMC

Exhibit "6": Gas Transportation Agreement with Alumax

COMPOSITE ATTACHMENT "B"

Public (Redacted) copies

Exhibit "2": Detailed Cost of Service Study

Exhibit "3": Supplemental Cost of Service Data - IMC

Exhibit "4": Supplemental Cost of Service Data - Alumax

Exhibit "5":Gas Transportation Agreement with IMC

Exhibit "6":Ges Transportation Agreement with Alumax

Exhibit "2"

Detailed Cost of Service Study

(Redacted Version)

(14 pages)

CHEMPEARE LITE/FEB CORPORATION FLORIDA (INVIDON FOR THE YEAR ENDED DECEMBER 31, 1989

SCHEDULE - A (COST OF SERVICE) CLASSIFICATION OF R/ TE BASE (Page 1 of 2:PLANC)

PAGE 1

- 4	5	Ç	D .	•	•	G
UNE		TOTAL	CUTTOMER	CAPACITY	COMMODITY	CLASSIFIER
1	LOCAL STORAGE PLANT	,		0		100% capacity
2	INTAKSIBLE PLANT	1 040,088	1,002,616	37,452		direct assignment
3	PRODUCTION PLANT	0		0		•
4	DISTRIBUTION PLANT:					
5	374 Land and Land Rights	14,589		14,589		•
đ	375 Structures and Improvements	203,213		203,213		•
7	378 Mairo	522,071		11,522,071		-
8	377 Comp. Ma. Eq.	0		0		•
9	378 Mans.& Rog.Bls.EqQun	426,703		426,703		•
10	379 Mana & Rog Sta EqC/3	691,130		891,130		•
11	380 Services	2,316,820	2.316.820			100% customer
12	361-362 Motors	1,384,935	1,394,935			-
13	363-364 House Residens	529,995	529 798			•
14	365 Industrial Mont. & Rec. Ec.	1,089,566		1,089,585		100% capacity
15	386 Property on Customer Premises	0	0	0	0	ac 374-385
16	387 Other Equipment	171,623	39,995	131,628	0	ac 374-385
17	Total Clabilitation Plant	18,330,845	4,271,745	14,055,900		,
18	GENERAL PLANT.	1,671,906	635,953	835,963		50% customer,50%, capacit
19	PLANT ACQUISITIONS.	123,409		123,409		100% capacity
20	GAS PLANT FOR FUTURE USE:	0		0		•
21	CMP.	204,228	47,593	156,635	0	dist plant
22	TOTAL PLANT	21,370,256	6,157,907	15,212,349	0	-

CHERAPEAGE LITELTIES CORPORATION
FLORIDA DIMINICIN
FOR THE YEAR ENDED DECEMBER 31 1880

SCHEDULE - A (COST OF SERVICE) CLASSIFICATION OF RATE BASE (Page 2 of ZACCUMULATED DEPRECIATION)

PAGE 2

LINE	6	C TOTAL	CUSTOMER	E CA PACITY	COMMODITY	G Classifier
1	LOCAL STORAGE PLANT	0	0		0	related plant
2	WTANGIBLE PLANT	175,244	54,308	120,936	0	reliptent account
3	PRODUCTION PLANT	0		0		-
4	EISTRIBUTION PLANT: 375 Structures and Improvements	14,940	٥	14,940	٥	•
	375 Maria	3,333,181	ő	3,333,181	ŏ	•
7	377 Comureemer Sta. Es.	9,333,101	ŏ	0	-	•
à	378 Mees & Reg.Stn EqGen	46.86	ō	46.892	ō	•
P	379 Mans & Ros Stn. EqCG	115,387	Ċ	115,367	0	•
10	360 Services	417,672	417,672	0	0	•
11	301-302 Motors	400,753	400,753	0	Q	-
12	363-384 House Regulature	127,976	127,976	0	C	•
13	385 Indust. Mann & Rog. Stn. Eq.	165,013	٥	165,013	0	•
14	386 Property on Customer Promises	0	0	0	0	•
15	367 Other Equipment	33,120	7,730	25,406		•
16	Total A.D. on Clat. Plant	4,654,920	954,121	1,700,796	0	
17	GEHERAL PLANT:	395,440	297,7720	297,720	0	general phoni
10	PLANT ACQUISITIONS:	123,409	0	123,409	0	plant appointions
19	RETIREMENT WORK IN PROGRESS:	67	16	51	o	distribution plant
20	TOTAL ASSESSMENT DESIGNATION	55-60,000	1,308,164	4,242,516	0	_
21	HET PLANT (Flori Inno Accum.Dop.)	15,621,176	4,651,742	10,969,434	o	
22	IGNO: CUSTOMER ADVANCES	0	0	0		50% cust 50% cap
23	phas:WORIGHG CAPITAL	(785,028)	(464,817)	(298,738	(12,471)	oper and maint exp.
24	equals TOTAL RATE BASE	15,095,150	4,385,925	10,880,695	(12,471)	_

30 TOTAL OSM EXPENSE

SCHEDULE - B (COST OF SERVICE) CLASSIFICATION OF EXPENSES (Page 1 of 2)

A	8	C	D CUSTOMER	E CAPACITY	F COMMODITY	G CLASSIFIER
		1.571.746				
1	OPERATIONS AND MAINTENANCE DIPENSES					
2	LOCAL STORAGE PLANT	٥	0	0	0	pc 301-320
3	PRODUCTION PLANT	0		0		100% capacity
4	CISTRIBUTION:					
5	870 Operation Supervision & Erg.	297,807	141,301	156,306	0	ac 871-879
6	871 Clot Load Dispatch	87,553		87,553		100% capacity
7	872 Compr.Sta Lat. & Ex.	0	0	0	0	≈ 377
8	673 Compr.Sta.Fuel & Power	0			0	100% commend
9	874 Mains and Services	163,784	27,420	136,354	0	ac376+ ac380
0	875 Mate & Rog. Str. EqGen	0	0	0	0	ec 376
11	678 Mans & Roy, Sta. EqInd.	0	0	0	0	ec 365
2	877 Mana & Reg. Sin.EqCG	26,873	0	26,873		ec 379
3	676 Mater and House Reg.	206,337	206,337	0	0	mc361+ac363
4	679 Leak Investigation	12,033	2 014	10,019	0	ms376+ ac380
15	690 Other Expenses	57 808	13,471	44,337	0	at: 367
16	881 Rente	9,430	0	9,430		100% capacity
7	883 Maintenance Supervision	່ ນ	0	0	0	ac605-894
8	866 Maint, of Struct, and Improv.	0	0	0	0	ac375
9	867 Maintenance of Maint	135,681	0	135,661	0	nc370
0	860 Maint, of Comp.Sto.Eq.	٥	0	0	3	at 377
1	880 Maint, of Mann, & Roy, Sta. EqQua	16,202	0	16,202	0	ac 376
2	860 Mairt, of Mann. & Roy, Sta. Eqbod.	63,963	0	63,983	0	ac 365
3	Mit Maint of Mans & Roy Sta Eq. CG	17,956	0	17,955	0	ac 379
Z)	862 Maintenance of Services	31,030	31,030	0	0	ac 300
5	863 Maint, of Maters and House Res.	59,312	59,312	0	0	ec381-383
16	894 Maint, of Other Equipment	17,980	4,183	13,767	ō.	mc367
17	Total Clotchyllen Experiess	1,202,619	485,089	717,550	0	
	CUSTOMER ACCOUNTS:					
	601 Supervision	82,974	82,474			100% customs
0	902 Malar-Randing Expusso	77,163	77,163			•
1	803 Records and Collection Exp.	305,766	305,768			•
12	904 Unecliedible Accounts	31,529			31,529	
13	805 Miss. Expenses		0			100% / utilipite
14	Total Customer Accounts	407,454	485,905	0	31,529	
15	(807-910) CUSTOMER SERV.S IMPO. EXP	5,873	5,873			•
10	(911-916) SALES EXPENSE	205,880	205,860			•
37	(932) MAINT OF GEN PLANT	24,917	12,459	12,489	0	general plant
10	(820-831) ADMINISTRATION AND GENERAL	1,510,030	916,271	569.175	24,583	OEM red. A&C

3,446,752 2,091,456 1,269,184 56,112

CHEMPEAKE UTILITIES CORPORATION FLORIDA (IMMICIN FOR THE YEAR ENDED DECEMBER 31, 1888

SCHEDULE - B (COST OF SERVICE) CLASSIFICATION OF EXPENSES (Page 2 of 2)

PAGE 4

A	8	¢	Đ	E	F	G	н
LINE		TOTAL	CUSTOMER	CAPACITY	COMMODITY	REVENUE	CLASSIFIER
_							
1	DEPRECIATION AND AMORTIZATION EXPENSE:						
2	Depreciation Expense	719,768	220,572	495,595	O O		mail piperi
3	Amort of Other Gas Plant	184,867	100,282	84,405			interphile plant
4	Amort of Property Less	0	·	0			100% capacity
5	Americ of Limited-turns inv.	ō	0	ō	0		interplate plant
6	Arrest of Acquisition Adj.	0	0	0	0		interviewe plan
7	Arrest, of Conversion Casts	Ö			0		100% commadity
8	Total Charac and Arrest. Expense	903,936	320,834	583, 161	Ō	C	1
9	TAXES OTHER THAN INCOME TAXES.						
10	Revenue Reinlad	122,701				122,701	100% revenue
11	Other	503,170	154,303	348,867	0		ent place
12	Total Taxes other than Incente Texas	625,671	154,309	348,867	ō	122,70	
13	REV CROT TO COS(NEG.OF OTHR OFR.REV)	(74,367)	(74,387)				100% ountomer
14	RETURN (REQUIRED NOt) = 9.05% of relebane	1,383,281	307,241	987,149	(1,129)		min base
15	MICOME TAXES	590,317	172,013	416,793	(489)	ď	return(nox)
16	TOTAL OVERALL COST OF SERVICE	6,855,750	3,061,460	3,617,096	54,463	122,701	ī

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PLOTON STREET
POR THE VENT SHOULD SECRETE 35 HOS

SCHEDILE - C (COST OF SERVICE) DEVELOPMENT OF ALLOCATION FACTORS

A LINE	•	c	D	E	COMMITTION.	3	н	ı	ı	4
	ALLOCATION FACTOR	TOTAL	RESERVING.	COMMENCAL		HOUSTHIAL	MI FRAUET	MC	AUMAI	LVCTS
1	CUSTOMEN COSTS									
2	No of Continues	0.530	7,001	776	75	70	34		1 1	*
3	Wrighting	NA.		3	10	1J	Ti I			
4	Weatherd No. of Continues	12,000	7.001	2,006	236	1 446	535			
\$	Allocates Factors		44.776	16.57%	1 85%	11 45%	4 19%			
•	CAPACITY COSTS									
7	Part & Avg. March Sales Va. (Barriel)	13,200,012	130,747	451 202	177 🚟	1 542 227	2.134.171			
	Allocates Fectors	1	2 90%	3.4%	1 30%	11 91%	16 00%			
	MARI ALLOCATION DOLLARS	0.000,125	991,391	1.384 676	546 301	1 962 383	1.982,494			
19	Attocapes Factors	1	8.67%	16 20%	6 30%	23 16%	22 11%			
11	COMMICDITY COSTS									
12	Access Spins VIII (Bertin)	175.005.005	2,330,270	4.530,000	1 760 93	44 530 252	19,007 700			
13	Alleration Factors	1	1 87%	3 19%	1.47%	13 12%	15 1 9%			f
14	REVENUE-RELATED COUTS									
15	You are Costs, Copp. & Command	138,346	42.491	21 365	9,802	24 705	20,001			
16	Alteration Factors		10.00	10.07%	A MIN	19.675	15 600			

CHEMINA & WILDER CONTRACTOR

SCHEDULE - D (COST OF SERVICE) ALLOCATION OF RATE BASE TO CURTOMER CLASSES

PLETON OFFERDO POE THE TOPA GROUP SECRETOR 21 THE

•	•	¢	D	E	F COMMERCIAL	G	н	ι	3	ĸ	L.
LDE		TOTAL	ABRODIEM NA.	COMM/DATA		HELISTRIAL	ALT SPERIUST	NC	ALUMAX	LVCTS	ALLOCATOR
	MATE BARE BY CUSTOMER CLASS										
2	DIRECT AND OFECIAL ASSIGNMENTS										
3	Cultiformia										
4	labeliary.	MM.182	تنزون		18,852	117 918	Q4				program continues
5	Haves Regulatory	457 719	281,890	44.257	7 751	47 450	17,367				Mid cum
•	Servicin	1,881.14	1,217,140	332,136	37 172	Z23.501	60,216				A com
7	All Cour	1,101,576	(F)_4/4	195,416	28,752	120,130	4.40				registral cast Address
	Telegi	13.00	277,122	22(2)	W.5.5	522.514	120,487				
	Capacity										
10	Principal Linux & Roy Uts Eq.	104.00	0	0	20,947	200 152	367,565	i			popi, antolograci
11	Marie Affrag Spo Ed -Char	579.011	23,813		12,400	1 40,000	149,691				popular respectation of
12	Marie	0.100.000	91.29	1 804,826	949.301	1,982,383	1.002,414				ومرقوبات مودا
13	All Other	1,207,441	73,201	172,671	67 ,714	344,899	236,495				reas alleratives.
14		FILE BELLEVILLE		Table 174	421	2414.40	2,841,865				
15	Correctly										_
H	Account #	•	•	9	•	0		0		I	9
17	Account @			0	9	0	0	0	•		D
148	Account 8		9	0	0	3	9	1		•	0
19	All Other	(12.471)			(253)	(2.377) (2.377)	12.740				Marie and a
20	Teps	(17.17)			(7=3)	(2.377)	(2.745)				
											
21	TO/AL	100.10	17.00	2384.007	74.87	3 13 721	1814				
_											-

CHECKTOCK UTLITES CONTRACTOR
PLESSON CONTRACTOR
PUBLICATION CONTRACT

SCHEEP " Z - E (COST OF SERVICE) ALLOCATION OF COS. OF SERVICE TO CUSTOMER CLASSES (Figure 1 of 2)

C D F G 1 1 . £. COLMERCIAL ALLOCATOR LAPROE VOL **INTERRUPT** LVCTS RESIDENTIAL COMMERCIAL HOUSTRIAL ALUMAN . OPERATIONS AND IMPROVINCE EXPENSE DIRECT AND SPECIAL ASSIGNMENTS 878 Motors and Home Regulators 883 March of Motors & Home Ring 874 March & Barvers with controllers with cost Allers 205.237 132,78 38,005 4.030 24,836 100 2.519 10.051 39,312 34.639 1,125 169,794 104,701 38.571 19.744 7,140 wird could highway 3.180 **AND MAKE OF Services** 34 ,000 19,000 5427 1.750 1.350 with spect 70.338 86.421 31 413 193,951 All Other 場提 wild coult friend? 24 13 9 Teps Capacity 676 Monterey & Roy the Eq. () 680 Monte of Man & Roy the Eq. 4 . 11 2007 2771 1 083 9.717 13.045 dillo er ago samuele est 12 63,683 47,874 13 \$74 Maris and Barrers 163,784 14.00 25,497 13,746 50,138 \$67 highest of binaries 135,001 11.364 41 446 30.574 man alle:mandre:1 14 12,789 28 04 2 15 AF COM 939,689 1 38,144 44,565 100,333 100,001 200,917 74 436 271 473 298,213 البران سينحجش مير 100 440 572774 **19 78** 16 (appl 17 Correction 18 Account d 0 0 ۵ ń ۵ 0 ACCOUNT # a Ä ACCOUNT IS Ô 21 6,781 WELL COME HER WITH All Other 9.013 22 Total 3,413,47 1,47,973 C-GES 1413 **43.37** TOTAL OSM 23 DEPRECIATION EXPENSE 10 10 220,672 135,430 30,056 4,136 25,294 8.202 25,175 12.5 119,530 27 37 311 20 AMORT OF GAS PLANT CHARLES 160,300 08.249 8 121 270 466 39 7,174 24,166 34,852 Capacity 31 AMORT OF PROPERTY LOSS 13 Coperaty . . 9 AMORT OF LIMITED TERM INVEST 35 Capacity 0 Ó 0 Ó O problémiente saine. AMORT OF ACQUIRTION ADJ 10 -D weighten Link 0 30 Coperaty 0 area Tomas AMORT OF CONVERSION COSTS 0 Q 0 ů 0 9 Commodity ٥ Ð 0

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SCHEDULE - E (COST OF SERVICE) ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES (Page 2 of 2)

A	8	c	D	E	COMMERCIAL	G	н		1	K	
ME		TOTAL	RESIDENTIAL	COMMERCIAL	LARGE VOL	NOUSTRIAL	NTERRUPT	MC	ALLIMAX	LVCTS	ALLOCATOR

	TAXES OTHER THAN INCOME TAXES		47.774	26,600	2.986	18.437	8,696	-			Penghind that /drest
	Customer	154,303	97,771				10,107	N.			Grect
	Capacity	340,867	24,235		23,110	82.118	90,793				-
•	Substani	503,170	122,006		26.096	110,555	17,556				the on cust, cap & comes
9	Revenue	122,701	37,112		5,072	21.652	117,349	_			Ber on crist celt to consult
	Total	625,871	159,118	101,004	31,168	133 307	117,349				
	214 2 2 2 2 2 2										
7	RETURN (NON	444.5.0	****		N.com	49.000	20.000	7			and an Diff.
	Cumpine	397,241	250,900		7,663	47,314	17,150				Count net RB
	Capacity	967,149	62.325		59,431	236,466	738,440				cap rul RB / dewct
10	Commodity	(1,129)	313,202	1 (50)	(23)	(215)	294,351				committee RB
11	Toest	1,543,761	313,202	213,193	67,071	293,997	258.351				
12	NCOME TAXES							- 00			Market Con
13	Customer	172,013	108.827	29,697	3.324	20,522	7,442				cost rei Ribitivici
14	Capecity	418,793	27,329		26,060	103,878	104,963				Cap Hel REMARKS
15	Commodity	(400)	(15		(11)	(103)	(119)				COMMITTEE THE
16	Total	980,317	136,141	93.155		124.296	112316				
17	REVENUE CREDITED TO COS							100			
16	Construer	(74,307)	(44,63)	(29.755)	0	0	0				sirect programmers
19	TOTAL COST OF SERVICE										
20	Customer	3,001,460	1,980,733	501,966	58,761	361,593	131,136				MA.
21	Capacity	3,017,000	267.363			952,823	937,756				
22	Commission	54,403	36.911		1,084	6.463	2,062				
23	Substant	0,713,548	2.204.041		305,416	1,120,879	1,070,363				
24	Flovenue	122,701	37.112		5.072	21,852	17,560	- 3			
75	Total	6,855,750			314,465	1.342.551	1,365,536	100			

CHEMPANE LYSLIFIES COMPONATION PLONICA CRASSON POR THE YEAR SHOED DECEMBER 25 HES

SCHEDULE - F (COST OF SERVICE) DERIVATION OF REVENUE DEFICIENCY

PAGE 1

A	B	C	D	E	F	G	H	1		R.
LINE					COMMERCIAL					
		TOTAL	RESIDENTIAL	COMMED! AL	LARGE VOL	NOUSTRIAL	MIGHILPY	INIC	ALLIMAX.	LVCTS
1	COST OF MERVICE BY CLISTOMER CLASS									
2	CUSTOMER COSTS	3,081,480	1,660,733	501,068	58,761	J61,993	131,136			
3	CAPACITY COUTS	3,817,086	267,393		249,590	952,823	937,758			
4	COMMODITY COSTS	54,483	35,915	9,726	1,084	0,463	2,082			
5	REVENUE COSTS	122,701	37,112	18,624	5,072	21,662	17,966			
•	TOTAL	8 555,750	2,361,163	1,154,808	314,44	1,342,531	1,286,538			
7 8	ions REVENUE AT PRESENT RATES (in the projected last year)	6,865,750	1,815,645	1,022,427	242,456	1,774,407	824,661			
•	ORDER GAS SALES REVENUE DEFICIENCY	P	686,116	137,381	72,028	118,084	263,666			
10	BASE DEFICIENCY IN OTHER OPERATING REV	0	٥	(P)		0				
11	TOTAL BASE REVENUE DEFICIENCY		886,119		72.029	116,094	263.000			
17 19	UNIT COSTS Customer	20 070004	21 271621	53 662330	212 901785	775 951293	775 05 1200			
14	Capacity Community	0 277106 0 000-03	0 767925 0 010229		1 403005 0 000005	0 602204 0 600364	G 441489 G 000110			

CHEANFAIRE STATTES CORPORATION PLORIDA DAMBON POR THE YEAR ENGED DECEMBER 31 1889

SCHEDULE - G (COST OF SERVICE) RATE OF RETURN BY CUSTOMER CLASS (Page 1 of 2 PRESENT RATES)

-

LNE		C	0	E	COMMERCIAL	G	н	1	a a	K
		TOTAL	RESIDENTIAL	COMMERCIAL	LARGE VOL	MCLISTRIAL.	MINISTRUM	MC	ALLEMAX	FACIB
1	REVENUES (projected lest year)									
2	Gas Sales (Que to growth)	6,865,750			242,459	1,224,437	824,651			
3	Other Operating Revenue	74,387			0	0	0			
4	Total	1,930,137	1,650,667	1,552,182	242.69	1,224 437	824,651			
5	EXPENSES									
	Purchased Gas Cost	0	0	0	0	0	0		0 0	
7	OSM Expenses	3,445,752	1,457,973	627,524	142,120	628,881	452,587			
	Deprecation Expenses	719,268			37,311	145,526	124,787			
	Amortestion Expenses	184,867			7,445	26,622	25,146			
10	Taxes Other Than Income -Fred	503 170	122,006		26,096	110,566	99,793			
11	Taxes Other Then Income-Revenue	122,701	37,112		5,072	21,652	17,556			
12	Total Expees end Income Taxes	4,976,554	1,896,441	878,214	218,044	934,238	719,872			
13	NCOME TAXES	500,317	135,628	92,327	79 047	172 983	111.021			
14	NET OPERATING INCOME	1,363,261	072,402	81,541	(4,632)	167,207	8.742)	-		
15	RATE SABE	15,055,150	3,456,980	2,354,882	740,807	3,138,741	2,831,405	1		
16	RATE OF RETURN	9 06%	-10 77%	3.47%	-0.63%	5 33%	-0.22%			

CHEMPARE UTENTER CORPORATION
ACRES DISTRICT
ACRES D

SCHEDULL - G (COST OF SERVICE) RATE OF RETURN BY CUSTOMER CLASS Press 2 of 2 PROPOSED RATES)

C 0 0 A 10 COMMERCIAL. LOS DESCRIPTION COMMERCIAL LINES ACT . DATE OF THE REAL LACIS **REVENUES** Cipa Balley 6.805.750 1,768,297 1,154 100 314,486 1 342 531 1,006,539 Clies Country Reserve 74,367 1,812,839 79,755 84 563 1.066.539 314 468 1.342.531 8 830 137 **EXPENSES** Purchased Gas Cost 0 0 3,446,752 **CILM Expenses** 1,467,573 627,524 142, 120 626,881 452,587 Deprecution Expenses Americation Expenses 124.767 719,266 171,337 121,649 37,311 146,526 7,445 25,149 114,667 98,014 27,437 26,622 75,098 Taxes Other Than Income-Fixed 503,170 122.004 82,979 110,566 99,793 17,566 719,672 11 Taxes Other Then Income-Revenue 122 701 4 574 545 37,112 18,624 5,072 218,044 21,652 934,738 12 Total Expres and Income Taxas 306,349 478,293 369,667 13 PRE TAX NO 1,963,579 (83.512) 94,444 14 INCOME TAXES (white on pre to rest) 300,317 (25, 735) 92,576 29,143 123.375 111.401 1,363,361 213,779 257,265 NET OPERATING INCOME (08,277) 37,301 284,918 RATE BASE 15,005,150 3,400,900 2,354,862 740,807 2,831,435 5,136,741 RATE OF RETURN 0.00% -1.68% 9 00% 9 08% 9 00% 9.00%

PROCE IN

CHIENTENE UTLITES CONFORATION ALONGA CHIECH FOR THE YEAR BROOD DECIMIES 21 1986

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13

14

TOTAL REVENUE INCREASE

PERCENT INCREASE

AATE OF RETURN

BULLET

PROPOSED RATE DESIGN

G F 0 80 A 1 LOS CEMMERCIAL . TOTAL MESTODYTHAL COMMERCIAL LARGE VOL NOUS TRANS PATERIAL PT ALIMAN FACID. PRESENT RATES (projucted test year)
GAS SALES (sharts growth)
OTHER OPERATING REVENUE 1 2 6,855,750 1,615,035 1,022,427 742,460 1,224,407 824.651 74,367 44,637 29,756 3 TOTAL 8,930,137 1,659,667 1,052,182 242.460 1,224,437 124,651 5 NATE OF METURE 5 33% 9 05% -10 77% 3 47% -0 63% 0 22% . **BUGET** 1 00 -1 10 0.34 0 07 0 50 402 PROPOSED BATES GAS BALES 4,855,750 1,768,297 1,154,800 1,342,631 1,008,630 314,480 OTHER OPERATING REVENUE 74,367 29,755 44,632 6,830,137 TUTAL 1,342,531 1,000,530 1,812,970 1,184,563 314,486

132,301

12 50%

1 00%

1 00

118,004

2.04%

9 00%

1 00

72.029

29 71%

100%

1 00

263,884

32 OD%

101

1.00

163,242

9.22%

-1 00%

4 10

....

1 00

PMOE 12

CHEMPSAIR UTE/FIES CORPORATION PLONDA CHARGON FOR THE YEAR SHOLED CECEMBER 31 1986

COST OF SERVICE SUMMARY CALCULATION OF PROPOSED RATES

PROFESSION NAMED IN

NE		c	D	E	COMMERCIAL	G	н	•		
		TOTAL	RESIDENTIAL	COMMERCIAL	LARGE VOL	NOUSTRIAL.	INTERRUPT	INC	ALLMAX	LVCTS
1	PROPOSED TOTAL TARGET REVENUES	0,930,137	1,912,829	1,194,563	314,400	1,342,531	1,086,530			
2	LESS OTHER OPERATING REVENUE	74,387	44,632	29,756	u	0	0	1 40		
3	LESS CUSTOMER CHARGE REVENUES							200		
4	PROPOSED CUSTOMER O-WAGES		87 00		\$30.00	\$40 00	8360 00	0.00		
5	TIMES MUNICER OF BILLS	102,463			276		100			
	EQUALS CUSTOMER CHARGE REVENUES	200 242	645,232	139,740	5 520	16 540	59,150	100		
7	LESS OTHER NON THERM RATE REVENUES							10.00		
•	EQUALS PER-THERW TARGET REVENUES	5,906,500	1,123,065	1,015,068	3/13/988	1,323,891	1 1923 2000	/		
	DIVIDED BY NUMBER OF THERMS	125,965,005	2,358,279	4,520,908	1,760,363	16,530,252	19,047,798			
0	EQUALS PER-THERM RATESQUARNOED		0 474222	0 224527	0 175511	0 080000	0.063629	200		
1	PER-TI-ERM RATEMPHOEO		0 47622	0.7263	0 17551	0 00000	0.652.03			
2	PER-THERM-RATE REVENUES PHOED RATES)	5,000,537	1,123,000	1,015,079	308,967	1,325,908	1,020,406			
3	SUREMAY: PROPOSED TAMP AATES									
4	CUSTOMER CHARGES		\$7 00	\$15.00	\$20.00	140 00	1350 00			
	EMERGY CHARGES		10000		Carl Lane	1.500	100000	100		
	NON-GAS (CENTS PER THERM)		10 47123	10 22463	90 17561	\$0 00000	10 06383		*	
,	PURCHASED GAS ADALISTMENT		0.000	0 000	0 000	0 000	0 000	9 000	0.000	9 00
•	TOTAL (MICLUDING PGA)		10 4/622	107263	90 17561	10 00000	10 05393	93000	**	- 6
	SUMMARY:PRODUCT TARRY NATES									
0	CUSTOMER CHARGES		96 50	\$15.00	\$20.00	\$40.00	8380 00			
-	ENERGY CHARGES									
	NON-GAS (CENTS PER THERM)		30 43126	80 19632	90 13495	10 073-6	80 04023	1		
2	PURO-MASED GAS ADJUSTMENT		0 000	0,000	0 000	0 000	0 000	9 000	0 (00)	0 00
4	TOTAL (INCLUDING PGA)		30 43120	90 19532	80 13465	30 073-05	10 04032	1	325	

COST OF SERVICE SUMMARY CALCULATION OF PROPOSED RATES

A	•	C	D		COMMERCIAL	O	99			•
LINE			REACERSTAL	COMMERCIAL		HOLETINAL	Difference of		ALLEMAN	TACA8
	Propused rates including gross receipts tax		80 47827	10 22 653	90 17561	so anoau	80 05363	1		
2	Ovide by current revenue retailed law multiplier		1 01911	1 01911	1 01911	1 01911	1 01011			
3	Unadjusted rate		0 46729	0 22032	0 17222	0 07460	0.05292	X=0		
4	Multiply by PSC tax multiplier		1 00376	1 00375	1 00376	1 00376	1 00324			
5	Proposed ratios excluding grows recepts law (1) (2)		\$0 4808	\$0 22115	\$0 17267	30 07660	\$6 05312			
	Employ rates		10 40120	90 19632	\$0 13-466	\$0 573-0	10 04037			
7	% increase/(decrease) from existing non-lust rate		8.70%	13.22%	28.30%	7 30%	31 79%			

⁽¹⁾ All aughenter talls except for species contracts would allow full 2 θ % gives manyle for added as a first fight.

⁽²⁾ Special continued customers would be billed according to contract terms. RIC and Alumns rules reducts all gross receipts tense. The nametring these opecial continue could continue to be billed as they are currently. The incremental 1% gross receipts to: would be continue to be added to their bills.

Exhibit "3"

Supplemental Cost of Service Data - IMC

(Redacted Version)

(5 pages)

COST OF SERVICE STUDY IMC NEW WALES

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED RATE BASE AND RETURN

	Descrip	otion		Amount
1	Cost of Plant: Gross invi	outment in plant		
2	A/T Provision:			
3	Net Plant			
4	Working Capital			
5 6	Accumulated Deferred Income Taxes			\$0
7	Deferred investment Tex Credit			\$0
8	Rate Base			
9	Long Term Debt	•	0.00%	0
10	Common Equity	•	0.00%	0
11	Total Return	•	9.06%	

IMC NEW WALES

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED INCOME TAXES

	Description	Total
1	Rate Base	,
2	Return On Rate Base (Line 1 x Rate of Return)	
3	Less: Interest on Debt	
4	Net Income after Taxes	
5	Divide by 1- Tax Rate	0.6237
6	Taxable Income	
7	Income Taxes @ 37.63%	

COST OF SERVICE STUDY IMC NEW WALES

. . .

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

COST OF SERVICE

	Cost of Servi	Amount	
1 2 3 4 5	Operation & Meintenance Depreciation Taxes - Other Than Income 1/ Income Taxes Return @ 9 06% 2/		
6	Total Operating Costs	*	
7	1996 Throughput Operating cost per them		
9	NOTES.		
10	1/ Taxes Other Then Income - Property and	Revenue Related	
11	1995 Property Tax Expense		eleted Texas 1.911%
12 13	13 month average gross plent	\$21,066,321 Projected R	erenues
14 15	Average Tal Rate	\$0 0157	stated Terres
16	x Gross Plant	November 1	100
17 18	Property Tiex Expense	Total revenue	disted taxes

19 2/ 9 08% Return is the Company's achieved rate of return from 1995 surveillance report as filed with the FPSC

COST OF SERVICE STUDY IMC NEW WALES

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED ORM EXPENSES



COST OF SERVICE STUDY IMC NEW WALES

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

CAPITALIZATION AS FILED IN 1995 SURVEILLANCE REPORT

	Amont	
1	42.59%	Debt
2	57.41%	Common Equity, DIT, ITC, Customer Deps.
3	100,00%	
4	3.2900%	Weighted Average Cost of Service
5		Rate Base
6		Interest Expense

Exhibit '4"

Supplemental Cost of Service Data - Alumax

(Redacted Version)

(5 pages)

COST OF SERVICE STUDY ALUMAX

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED RATE BASE AND RETURN

	Descri	tion		Amount
1	Cost of Plant: Gross Inv	estment in plant		
2	A/O Provision:			
3	Net Plant			
3	Popt P and			
4	Working Capital			
5	Accumulated Deferred			
6	Income Taxes			\$0
7	Deferred Investment Tax Credit			\$0
8	Rate Base			
9	Long Term Debt	•	0,00%	0
10	Common Equity	Q	0.00%	0
11	Total Return	9	9.06%	

COST OF SERVICE STUDY ALUMAX

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED INCOME TAXES

	Description		Total
1	F. le Base		S 200
2	Return On Rate Base (Line	e 1 x Rate of Return)	1
3	Less: Interest on Debt		
4		Net Income after Taxes	
5	Divide by 1-Tax Rate		0.6237
6		Taxable Income	
7	Income Taxes @ 37.63%		

COST OF SERVICE STUDY

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

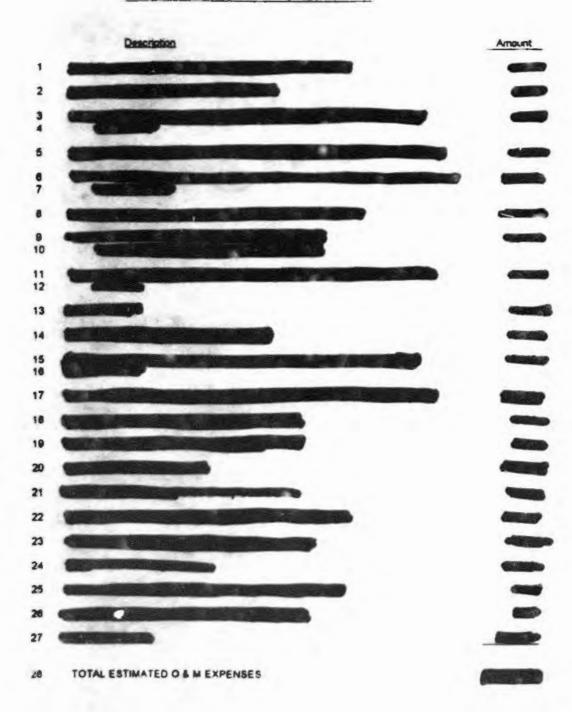
COST OF SERVICE

	Cost of Service		Amount	
1	Operation & Maintenance		3	
2	Depreciation			
3	Taxes - Other Than Income 1/			
4	Income Taxes			
5	Return @ 9,06% 2/			
6	Total Operating Costs		-0.75	
7	1996 Throughput			
8	Operating cost per therm		3	
9	NOTES:			
10	1/ Taxes Other Than Income - Propr	erty and Revenue Relat	ted	
11 12 13	1996 Property Tax Expense 13 month everage gross plant	\$330,092 \$21,066,321	Revenue Related Taxes Projected Revenues	1,911%
15	Average Tax Rate	\$0.0157	Revenue Related Taxes	
16	x Gross Plant	(- 2 - 1 - 1)		
18	Property Tax Expense		Total revenue related taxes	

COST OF SERVICE STUDY ALUMAX

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED OBM EXPENSES



COST OF SERVICE STUDY ALUMAX

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

CAPITALIZATION AS FILED IN 1996 SURVEILLANCE REPORT

	Amount	
1	42.59%	Debt
2	57.41%	Common Equity, DIT, ITC, Customer Deps.
3	100.00%	
4	3.2900%	Weighted Average Cost of Service
5		Rate Base
6		Interest Expense

Exhibit "5"

Gas Transportation Agreement with IMC - Agrico Company

(Redacted Version)

(14 pages)

GAS TRANSPORTATION AGREEMENT IMC-AGRICO COMPANY AND CHESAPEAKE UTILITIES CORPORATION

WHEREAS, Transporter operates facilities for the distribution of natural gas in the State of Florida; and

WHEREAS, Shipper has requested that Transporter receive certain quantities of gas for Shipper's account from Florida Gas Transmission Company ("FGT"), as provided herein, transport auch quantities on Transporter's distribution system and redeliver same to Shipper's facility located at New Wales, Polk County, Florida (hereinafter referred to as the "Redelivery Point" or "Shipper's Facility"), and Transporter agrees to provide such service in accordance with the terms hereof;

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements set forth herein, the Parties agree as follows:

L DEFINITIONS

Unless another definition is expressly stated, the following terms and abbreviations, when used in this Agreement and in all exhibits, recitals, and appendices contained or attached to this Agreement are intended to and will mean as follows:

- 1.1 "Btu" means the amount of heat required to raise the temperature of one pound of water from 59 degrees Fahrenheit to 60 degrees Fahrenheit at a constant pressure of 14.73 p.s.i.a.
- 1.2 "D." means a period of 24 consecutive hours beginning and ending at 9:00 a.m. Central Clock Time (CCT).
- 1.3 "Gas" means natural gas which is in conformance with the quality specifications of FGT's

 Tariff.
- 1.4 "Maximum Daily Quantity" or "MDQ" means the largest quantity of gas, expressed in dekatherms, that Transporter is obligated to transport and make available for delivery to a Shipper under any applicable Service Agreement or Service Agreements for Firm Transportation Service on any one day.
- 1.5 "Month" means a period beginning at 9:00 a.m. CCT on the first day of a calendar month and ending at 9:00 a.m. CCT on the first day of the next succeeding calendar month.
- 1.6 "Dekatherm" means 1,000,000 Btu's or ten (10) therms.
- 1.7 "p.s.i.a." means pounds per square inch absolute.
- 1.8 "Receipt Point" means the point at which gas is received by FGT into FGT's system from an upstream service or facility.
- 1.9 "Therm" means a unit of heat equal to 100,000 Btu's.

II. POINTS OF DELIVERY AND REDELIVERY

Shipper shall cause FGT to deliver to Transporter at the CFG Pierce Station on FGT's system (hereinafter referred to as "the Delivery Point"), the quantities of gas to be transported by Transporter hereunder. Transporter shall have no responsibility for transportation of Shipper's gas prior to receipt of such gas from FGT at the Delivery Point. Transporter shall redeliver such quantities of gas received from FGT for Shipper's account to Shipper's Facility.

IIL QUANTITIES

3.1 Subject to the terms and conditions of this Agreeme 1, Transporter agrees to receive from FGT daily at the Delivery Point a quantity of gas up to Shipper's Maximum Daily Quantity ("MDQ"), and Transporter agrees to transport and redeliver equivalent quantities to Shipper at the Redelivery Point. Shipper's MDQ under this Agreement shall be as set forth in Exhibit A to this Agreement, which is incorporated herein by reference and made a part hereof.

IV. SCHEDULING AND BALANCING

- 4.1 Shipper or Shipper's designee shall be responsible for nominating and scheduling of quantities to be delivered by FGT at the Delivery Point and redelivered by Transporter to Shipper's Facility. Imbalances between quantities scheduled for delivery by FGT to Transporter and/or redelivery by Transporter to Shipper's Facility, and actually delivered and/or redelivered hereunder, shall be resolved in accordance with the applicable provisions of Transporter's Natural Gas Tariff filed with the Florida Public Service Commission ("FPSC").
- 4.2 Transporter agrees to receive from FGT for Shipper's account at the Delivery Point and redeliver to Shipper's Facility up to 6% of the MDQ listed in Exhibit A per hour, subject to any restrictions imposed by FGT and to the provisions of Articles V and X of this Agreement, and

Shipper agrees to use commercially reasonable efforts to regulate its takes from Transporter's gas distribution system at a daily rate of flow not to exceed 6% of the MDQ listed in Exhibit A per hour, subject to any additional restrictions imposed by FGT or by Transporter pursuant to Articles V and X of this Agreement.

V. CURTAILMENT

5.1 This Agreement in all respects shall be and remain subject to the applicable provisions of the General Rules and Regulations of Chesapeake's Natural Gas Tariff, as they specifically apply to realiment, and as approved by the FPSC or its appropriate successor agency or authority, all of which are made a part hereof by this reference.

VL TITLE, CONTROL AND INDEMNIFICATION

FGT to Transporter for Shipper's account at the Delivery Point. Shipper will indemnify Transporter and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorney's fees, losses, and expenses, due to Shipper's failure to satisfy its chigations under this Agreement, arising out of the adverse claim of any person or persons to said gas for any taxes, licenses, fees or charges which are applicable prior to the time of delivery of said gas to Transporter or after redelivery by Transporter to Shippers. Similarly, Transporter will indemnify Shipper and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorney's fees, losses, and expenses, due to Transporter's failure to satisfy its obligations under this Agreement, arising out of the adverse claim of any person or persons to said gas for any taxes, licenses, fees or charges which are applicable while said gas is in Transporter's possession and control prior to the time of redelivery of said gas to Shipper. In the event any adverse claim, resulting from failure of

Shipper to satisfy its obligations under this Agreement, in respect to said gas is asserted, or Shipper breaches its warranty herein, Transporter shall not be required to perform or, subject to receipt of any necessary regulatory authorization, to continue service hereunder for Shipper until such claim has been finally determined; provided, however, Shipper may receive service if (i) in the case of an adverse claim Shipper furnishes a bond to Transporter, in the amount of such claim and with sureties satisfactory to Transporter, conditioned for the protection of Transporter with respect to such claim; or (ii) in the case of a breach of warranty, Shipper furnishes satisfactory evidence of its title to Transporter.

transported by it upon delivery of such gas by FGT to Transporter for Shipper's account at the Delivery Point and until it shall have been redelivered to Shipper at the Redelivery Point; and Shipper shall be deemed to be in control and possession of such gas prior to such delivery to Transporter and after such redelivery to Shipper. Each party, while deemed to be in control and possession of such gas, shall be responsible for, and shall indemnify and hold the other harmless from, any and all claims, actions, suits, and costs including attorney's fees, arising out of or relating in any way to custody and control of such gas.

VIL RATE

7.1 The transportation rate to be charged for gas received, transported and redelivered hereunder by Transporter shall be as set forth in Exhibit B to this Agreement, which is incorporated herein by reference and made a part hereof. The rates, as set forth in Exhibit B, have been negotiated between the Parties and include only Transporter's Delivery charge per dekatherm of gas transported and redelivered under this Agreement and do not include any charges for transportation service by

FGT or any other upstream pipeline transporter transporting Shipper's gas prior to delivery to Transporter at the Delivery Point. The rates provided in Exhibit B are subject to the continuing jurisdiction of the FPSC and may be adjusted during the term of this Agreement, as provided herein.

7.2 If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should increase any present tax or levy any additional tax, relating to the service provided by Transporter under this Agreement, any such additional tax actually paid by Transporter shall be computed on a cents per dekatherm basis and added to the than effective rate becauser. If this should happen, then Shipper has the right to cancel this Agreement and not prejudice any other arrangements made by Shipper. If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should decrease or eliminate any tax paid by Transporter relating to the service provided by Transporter under this Agreement, the reduction in such tax shall be computed on a cents per dekatherm basis and subtracted from the then effective rate her cunder.

VIIL TERM

8.1 Subject to all other provisions, conditions, and limitations hereof, this Agreement shall be effective on the first day of the first month after the date that Transporter gives Shipper written notice of the approval of the FPSC, and shall continue in full force and effect through July 31, 2000. Thereafter, the Agreement shall be extended on a year-to-year basis unless terminated by either Party, with at least six (6) months written notice to the other Party prior to the termination date or in accordance with other provisions of this contract or otherwise in accordance with the Parties rights under applicable law.

8.2 The Parties understand that this contract is subject to the approval of the FPSC. As such, in order to maintain certain competitive conditions, the Parties will file this contract with the FPSC, under the rules governing confidentiality. It is understood and agreed to by the Parties that this contract contains confidential business information which would cause irreparable harm to the Parties if such information is disclosed to the general public. Therefore, in its filing with the FPSC, Transporter will request confidential treatment for, at a minimum, the portions of this contract, including any terms, conditions and rates, which differ from Transporter's approved FPSC tariff.

IX. TRANSPORTER'S TARIFF PROVISIONS

9.1 Subsections 3 through 6, 8 through 11, and 13 through 21 of the General Rules and Regulations of Transporter's Natural Gas Tariff filed with the FPSC, including any amendments thereto during the term of this Agreement, are hereby incorporated into this Agreement and made a part hereof for all purposes. In the event of any conflict between said provisions of Transporter's FPSC Tariff and specific provisions of this Agreement, the latter shall prevail, in the absence of an FPSC order to the contrary.

X. MISCELLANEOUS PROVISIONS

10.1 Notices and other communications. Any notice, request, demand, statement or payment provided for in this Agreement, unless otherwise specified, shall be sent to the Parties hereto at the following addresses:

Shipper:

IMC-Agrico Company 2345 Waukegan Road

Suite E-200

Bannockburn, Illinois 60015-5516

Attention: Sonny Davis

Facsimile: (847) 607-3426

Transporter: Central Florida Gas Company 1015 Sixth Street, N. W.

Winter Haven, FL 33881

Attention: Florida Regional Manager

Facsimile: (941) 294-3895

10.2 Headings. All article headings, section headings and subheadings in this Agreeme. are inserted only for the convenience of the Parties in identification of the provisions hereof and shall not affect any construction or interpretation of this Agreement.

10.3 Entire Agreement. This Agreement, including the exhibits attached hereto, sets forth the full and complete understanding of the parties as of the date of its execution by both parties, and it supersedes any and all prior negotiations, agreements and understandings with respect to the subject matter hereuf. No party shall be bound by any other obligations, conditions or representations with respect to the subject matter of this Agreement.

Amendments. Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing signed by the Party against which enforcement of the termination, amendment, supplement, waiver or modification shall be sought. A change in (a) the place to which notices pursuant to this Agreement must be sent or (b) the individual designated as the Contact Person pursuant to section 10.1 shall not be deemed nor

require an amendment of this Agreement provided such change is communicated in accordance with section 10.1 of this Agreement. Further, the Parties expressly acknowledge that the limitations on amendments to this Agreement set forth in this section shall not apply to or otherwise limit the effectiveness of amendments which are necessary to comply with the requirements of the FPSC or its successor agency or authority.

- 10.5 <u>Severability</u>. If any provision of this Agreement becomes or is declared by a court of competent intelliction to be illegal, unembreeable or vold, this Agreement shall continue in full force and effect without said provision; provided however that if such severability materially changes the economic benefits of this Agreement to either party, the parties shall negotiate an equitable adjustment in the provisions of this Agreement in good faith
- 10.6 <u>Waiver</u>. No waiver of any of the provisions of the Agreement shall be deemed to be, nor shall it constitute, a waiver of any other provision whether similar or not. No single waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- 10.7 Independent Parties. Transporter and the Shipper shall perform hereunder as independent parties and neither Transporter or the Shipper is in any way or for any purpose, by virtue of this Agreement or otherwise, a partner, joint venturer, agent, employer or employee of the other. Nothing in this Agreement shall be for the benefit of any third person for any purpose, including, without limitation, the establishing of any type of duty, standard of care or liability with respect to any third person.
- 10.8 <u>Assignment and Transfer</u>. No assignment of this Agreement by either party may be made without the prior written approval of the other party (which approval shall not be unreasonably

withheld) and unless the assigning or transferring party's assignee or transferee shall expressly assume, in writing, the duties and obligations under this Agreement of the assigning or transferring party, and upon such assignment or transfer and assumption of the duties and obligations, the assigning or transferring party shall furnish or cause to be furnished to the other party a true and correct copy of such assignment or transfer and assumption of duties and obligations.

Governmental Authorizations: Compliance with Law. This Agreement shall be subject to all valid annicable state, local and federal laws, orders, directives, rules and regulations of any governmental body, agency or official having jurisdiction over this Agreement and the transportation of gas hereunder. Transporter and Shipper shall comply at all times with all applicable federal, state, municipal, and other laws, ordinances and regulations. Shipper shall indemnify Transporter for any claims, demands, actions, liabilities, judgments, losses, damages, expenses, costs, penalties, and fines arising from the Shipper's failure to comply as required under this Agreement. Transporter shall indemnify Shipper for any claims, demands, actions, liabilities, judgments, losses, damages, expenses, costs, penalties, and fines arising from the Transporter's failure to comply as required under this Agreement. Transporter and/or Shipper will furnish any information or execute any documents required by any duly constituted federal or state regulatory authority in connection with the performance of this Agreement. Each party shall proceed with diligence to file any necessary applications with any governmental authorities for any authorizations necessary to carry out is obligations under this Agreement. In the event this Agreement or any provisions herein shall be found contrary to or in conflict with any such law, order, directive, rule or regulation, the latter shall be deemed to control, but nothing in this Agreement shall prevent either party from contesting the validity of any such law, order, directive, rule, or regulation, nor shall anything in this Agreement be

governmental agency other than the FPSC over this Agreement or any part thereo. In the event of such contestation, and unless otherwise prohibited from doing so under this Section 10.9, Transporter shall continue to transport and Shipper shall continue to take gas pursuant to the terms of this Agreement. In the event any law, order, directive, rule, or regulation shall prevent either party from performing hereunder, then neither party shall have any obligation to use other during the period that performance is precluded.

- 10.10 Law Governing Agreement: Venue. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida. The venue for any action, at law or in equity, commenced by either party against the other and aring out of or in connection with this Agreement shall be in a court of the State of Florida having jurisdiction.
- 10.11 Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original instrument as against any party who has signed it.
- 10.12 <u>Specifically Superseded Agreements</u>. This Agreement, on the Effective Date, supersedes and cancels the previous gas transportation agreement between the parties dated: January 18, 1995.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first

stated above.	
WITNESS:	SHIPPER: IMC-Agrico Company, a Delaware general partnership
	By: IMC-Agrico MP, Inc., a Delaware corporation as its managing general partner.
	By Frank. Mil
	Name: Hermann H. Wittje
	Title: <u>VP Strac</u> <u>Sourcing & Ry+P</u> roduct Mktg.
WITNESS: Q M. II	TRANSPORTER:
thomas le surpry	CHESAPEAKE UTILITIES CORPORATION, a Delaware Corporation
	By: Steple C. Thompson
	Name: Stephen C. Thompson
	Total

EXHIBIT A TO GAS TRANSPORTATION AGREEMENT BETWEEN

CHESAPEAKE UTILITIES CORPORATION AND IMC-AGRICO COMPANY

Maximum Daily Quantities

The Maximum Daily Quantities (MDQ), in dekatherms, available for shipper are as follows:

MONTE	MDO
JANUARY	
FEBRUARY	
MARCH	
APRIL	
MAY	
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

TRANSPORTER:

Chesapeake Utilities Corporation, a Delaware Corporation

By:

Name: Stephen C. Thompson

Title: Vice President

Date: Absenber 18, 1997

SHIPPER

IMC-Agrico Company, a Delaware general partnership

By: IMC-Agrico MP, Inc.

A Delaware corporation as its managing general partner.

Bv:

Name: Hermann H. Wittle

Title: <u>VP Strgc. Sourcing & By-P</u>roduct Mktg.

Date: November 14, 1997

EXHIBIT B TO GAS TRANSPORTATION AGREEMENT BETWEEN CHESAPEAKE UTILITIES CORPORATION AND IMC-AGRICO COMPANY

Transportation Rates

The rates to be charged for each dekatherm of gas delivered to Shipper's facility under this Agreement shall be as follows:

Rate per Dekatherm

Monthly Quantity

All Dekatherms

TRANSPORTER: SHIPPER: Chesapeake Utilities Corporation, IMC-Agrico Company, a a Delaware Corporation Delaware general partnership By: IMC-Agrico MP, Inc., a Delaware corporation as Name: Staphen C. Thompson its managing general partner. Title: Vice President By: Date: November 18, 1997 Name: Hermann H. Wittle Title VP Strac Sourcing & Ry-Product Mktg. November 14, 1997 Date:

Exhibit '6"

Gas Transportation Agreement with Alumax Extrusions, Inc.

(Redacted Version)

(15 pages)

GAS TRANSPORTATION AGREEMENT

ALUMAX EXTRUSIONS, INC AND CHESAPEAKE UTILITIES CORPORATION

THIS AGREEMENT, entered into this 19 day of November 1997, between CHESAPEAKE UTILITIES CORPORATION, a Delaware corporation, doing business in Florida as Central Florida Gas Company ("Company"), and ALUMAX EXTRUSIONS, INC, a Particulation ("Shipper"). Company and Shipper shall be referred to collectively as the "Parties."

WITNESSLIH:

WHEREAS, Company operates facilities for the distribution of natural gas in the State of Florida; and

WHEREAS, Shipper has requerted that Company receive certain quantities of gas for Shipper's account from Florida Gas Transmission Company ("FGT") or any other interstate pipeline, as provided herein, transport such quantities on Company's distribution system and redeliver same to Shipper's facility located at Plant City Airport Industrial Park, Hillsborough County, Florida (hereinafter referred to as the "Redelivery Point" or "Shipper's Facility"), and Company agrees to provide such service in accordance with the terms hereof;

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements set forth herein, the Parties agree as follows

L. DEFINITIONS

Unless another definition is expressly stated, the following terms and abbreviations, when used in this Agreement and in all exhibits, recitals, and appendices contained or attached to this Agreement are intended to and will mean as follows:

- 1.1 "Btu" means the amount of heat required to raise the temperature of one pound of water from 59 degrees Fahrenheit to 60 degrees Fahrenheit at a constant pressure of 14.73 p.s.i.a.
- 1.2 "Day" means a period of 24 consecutive hours beginning and ending at 9:00 a.m. Central Clock Time (CCT).
- 1.3 "Tas" means natural gas which is in conformance with the quality specifications of FGT's

 Tariff.
- "Maximum Daily Quantity" or "MDQ" means the largest quantity of Gas, expressed in dekatherms, that Company is obligated to transport and make available for delivery to Shipper under this Agreement on any one day.
- 1.5 "Month" means a period beginning at 9:00 a.m. CCT on the first day of a calendar month and ending at 9:00 a.m. CCT on the first day of the next succeeding calendar month.
- 1.6 "Dekatherm" means 1,000,000 Btus or ten (10) therms
- 1.7 "p.s.i.a." means pounds per aquare inch absolute.
- 1.8 "Receipt Point" means the point at which Gas is received by FGT into FGT's system from an unstream service or facility.
- 1.9 "Therm" means a unit of heat equal to 100,000 Btus

II. POINTS OF DELIVERY AND REDELIVERY

2.1 Shipper shall cause FGT to deliver to Company at the Plant City delivery point on FGT's system (hereinafter referred to as "the Delivery Point"), the quantities of Gas to be transported by Company hereunder. Company shall have no responsibility for transportation of Shipper's Gas prior to receipt of such Gas from FGT at the Delivery Point. Company shall, on a firm basis, redeliver pursuant to the terms hereof such quantities of Gas received from FGT for Shipper's account to Shipper's Facility.

III. QUANTITIES

3.1 Subject to the terms and conditions of this Agreement, Company agrees to receive from FGT daily at the Delivery Point a quantity of Gas up to Shipper's Maximum Daily Quantity ("MDQ"), and Company agrees to transport and redeliver equivalent quantities to Shipper at the Redelivery Point. Shipper's MDQ under this Agreement shall be as set forth in Exhibit A to this Agreement, which is incorporated herein by reference and made a part hereof.

IV. SCHEDULING AND BALANCING

- 4.1 Shipper shall be responsible for nominating and acheduling of quantities to be delivered by PGT at the Delivery Point and redelivered by Company to Shipper's Facility.

 Imbalances between quantities scheduled for delivery by FGT to Company and/or redelivery by Company to Shipper's Facility, and actually delivered and/or redelivered hereunder, shall be resolved in accordance with the applicable provisions of Company's Natural Gas Tariff filed with the Florida Public Service Commission ("FPSC").
- 4.2 The Parties hereto recognize the desirability of maintaining a uniform rate of flow of Gas to Shipper's Facility over each 24-hour period and each day throughout each month.

Therefore, Company agrees to receive from FGT for Shipper's account at the Delivery Point and redeliver to Shipper's Facility up to 5% of the MDQ listed in Exhibit A per hour, subject to any restrictions imposed by FGT and to the provisions of Articles V and X of this Agreement, and Shipper agrees to use commercially reasonable efforts to regulate its takes from Company's gas distribution system at a daily rate of flow not to exceed 5% of the MDQ listed in Exhibit A per hour, subject to any additional restrictions imposed by FGT or by Company bursuant to Articles V and X of this Agreement.

V. CURTAILMENT

- 5.1 This Agreement in all respects shall be and remain subject to the applicable provisions of the General Rules and Regulations of Company's Natural Gas Tariff, as they specifically apply to curtailment, and as approved by the FPSC or its appropriate successor agency or authority, all of which are made a part hereof by this reference.
- 5.2 In the event Company issues a curtailment order due to conditions on Company's system, the Company agrees to keep Shipper whole with respect to the actual cost incurred for the quantity of Gas scheduled to the Plant City facility and all FGT transportation charges related to said quantity of Gas scheduled. Shipper agrees to make all reasonable efforts to minimize the quantity of Gas scheduled during a curtailment event.

VI. TITLE, CONTROL AND INDEMNIFICATION

6.1 Shipper warrants that it will have good and merchantable title to all Gas delivered by FGT to Company for Shipper's account at the Delivery Point. Shipper will indemnify Company and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorney's fees, losses, and expenses arising out of the adverse claim of any person or

persons to said Gas for any taxes, licenses, fees or charges which are applicable prior to the time of delivery of said Gas to Company or after redelivery by Company to Shipper—Similarly, Company will indemnify Shipper and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorney's fees, losses, and expenses arising out of the adverse claim of any person or persons to said Gas for any taxes, licenses, fees or charges which are applicable while said Gas is in Company's possession and control prior to the time of redelivery of said Gas to Shipper. In the event any adverse claim in respect to said Gas is asserted or Shipper breaches its warranty herein, Company shall not be required to perform or, subject to receipt of any necessary regulatory authorization, to continue service hereunder for Shipper until such claim has been finally determined; provided, however, Shipper may receive service if (i) in the case of an adverse claim, Shipper furnishes a bond to Company, in the amount of such claim and with sureties satisfactory to Company, conditioned for the protection of Company with respect to such claim; or (ii) in the case of a creach of warranty, Shipper furnishes satisfactory evidence of its title to Company.

transported by it upon delivery of such Gas by FGT to Company for Shipper's account at the Delivery Point and until it shall have been redelivered to Shipper at the Redelivery Point; and Shipper shall be deemed to be in control and possession of such Gas prior to such delivery to Company and after such redelivery to Shipper. Each party, while deemed to be in control and possession of such Gas, shall be responsible for, and shall indemnify and hold the other harmless from, any and all claims, actions, suits, and costs including attorney's fees, arising out of or relating in any way to custody and control of such Gas.

6.3 While on or traveling to and from Shipper's Plant City property, the Company assumes the risk of, and shall indemnify and save harmless the Shipper, its officers, directors, and employees against all claims and actions, losses, costs, fines, penalties and damages to property or to the environment and/or injury, to persons (including death) arising out of, resulting from, or based upon the negligent acts or omissions of the Company or anyone acting under its direction or control or in its behalf and all expenses (including legal and investigation feet) incidental thereto.

VII. RATE

- 7.1 The transportation rate to be charged for Gas received, transported and redelivered hereunder by Company shall be as set forth in Exhibit B to this Agreement, which is incorporated herein by reference and made a part hereof. The rates, as set forth in Exhibit B, have been negotiated between the Parties and include only Company's Delivery charge per dekatherm of Gas transported and redelivered under this Agreement and do not include any charges for transportation service by FGT or any other upstream pipeline transporter transporting Shipper's Gas prior to delivery to Company at the Delivery Point. The rates provided in Exhibit B are subject to the continuing jurisdiction of the FPSC and may be adjusted during the term of this Agreement, but only as may be required pursuant to Section 7.2 hereof or by an Order of the FPSC. The Company agrees that it will not file with the FPSC to increase the rates in Exhibit B during the term of this contract.
- 7.2 If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should increase any present tax or levy any additional tax, relating to the service provided by Company under this Agreement, any such

additional tax actually paid by Company shall be computed on a cents per dekatherm basis and added to the rates set forth in Exhibit B hereof, provided that any such additional tax or levy may legally be passed on to Shipper. If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should decrease or eliminate any tax paid by Company relating to the service provided by Company under this Agreement, the reduction in such tax shall be computed on a cents per dekatherm basis and subtracted from the then effective rate bereunder.

VIIL TERM

- shall be effective on the first day of the first month after the date that Company gives Shipper written notice of the approval of the FPSC provided however, that Shipper has received a copy of such approval order and such order is acceptable in form and substance to both Parties, and shall continue in full force and effect through December 31, 2002. Thereafter, the Agreement shall be extended on a year-to-year basis unless terminated by either Party, with at least six (6) months written notice to the other Party prior to the termination date. In the event that any order received from the FPSC has materially changed the content of this Agreement and is not acceptable to either Party, such Party shall have the right to either terminate this Agreement or renegotiate the terms hereof.
- 8.2 The Parties understand that this contract is subject to the approval of the FPSC.

 As such, in order to maintain certain competitive conditions, the Parties will file this contract with the FPSC, under the rules governing confidentiality. It is understood and agreed to by the Parties that this contract contains confidential business information which would cause irreparable harm

to the Parties if such information is disclosed to the general public. Therefore, in its filing with the FPSC. Company will request confidential treatment for, at a minimum, the portions of this

contract, including any terms, conditions and rates, which differ from Company's approved FPSC

tariff.

DC. COMPANY'S TARIFF PROVISIONS

9.1 Subsections 3 through 6, 8 through 11, and 13 through 21 of the General Rules

and Regulations of Company's Natural Gas Tariff filed with the FPSC, including any amendments

thereto during the term of this Agreement, are hereby incorporated into this Agreement and made

a part hereof for all purposes. In the event of any conflict between said provisions of Company's

FPSC Tariff and specific provisions of this Agreement, the latter shall prevail, in the absence of an

FPSC order to the contrary.

X. MISCELLANEOUS PROVISIONS

10.1 Notices and other communications. Any notice, request, demand, statement or

payment provided for in this Agreement, unless otherwise specified, shall be sent to the Parties

hereto at the following addresses:

Shipper:

Alumax Extrusions, Inc.

1650 Alumax Circle Plant City, FL 33567

Attention: Controller

Facsimile: (813) 719-3438

Company:

Central Florida Gas Company 1015 South Street, N.W.

Winter Haven, FL 33881

Attention: Florida Regional Manager

Facsimile: (941) 294-3895

Headings. All article headings, section headings and subheadings in this 10.2 Agreement are inserted only for the convenience of the Parties in identification of the provisions bereof and shall not affect any construction or interpretation of this Agreement.

- Esting Agreement. This Agreement, including the exhibits attached hereto, sets forth the fun and complete understanding of the parties as of the date of its execution by both parties, and it supersedes any and all prior negotiations, agreements and understandings with respect to the subject matter hereof. No party shall be bound by any other obligations, conditions or representations with respect to the subject matter of this Agreement.
- 10.4 Amendments. Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing signed by the Party against which enforcement of the termination, amendment, supplement, waiver or modification shall be sought. A change in (a) the place to which notices pursuant to this Agreement must be sent or (b) the individual designated as the Contact Person pursuant to section 10.1 shall not be deemed nor require an amendment of this Agreement provided such change is communicated in accordance with section 10.1 c. this Agreement. Further, the Parties expressly acknowledge that the limitations on amendments to this Agreement set forth in this section shall no, apply to or otherwise limit the effectiveness of amendments which are necessary to comply with the requirements of, or are otherwise approved by FPSC or its successor agency

or authority

- of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided however that if such severability materially changes the economic benefits of this Agreement to either party, the parties shall negotiate an equitable adjustment in the provisions of this Agreement in good faith.
- 10.6 <u>Waiver</u>. No waiver of any of the provisions of the Agreement shall be deemed to be, nor shall it constitute, a waiver of any other provision whether similar or not. No single waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- 10.7 Legal Fees. In the event of litigation between the parties hereto arising out of or in connection with this Agreement, then the reasonable attorneys' fees and costs or one party prevailing in such litigation shall be paid by the other party.
- independent parties and neither Company or the Shipper is in any way or for any purpose, by virtue of this Agreement or otherwise, a partner, joint venturer, agent, employer or employee of the other. Nothing in this Agreement shall be for the benefit of any third person for any purpose, including, without limitation, the establishing of any type of duty, standard of care or liability with respect to any third person.
- 10.9 <u>Assignment and Transfer</u> No assignment of this Agreement by either party may be made without the prior written approval of the other party (which approval shall not be unreasonably withheld) and unless the assigning or transferring party's assignce or transferee shall

expressly assume, in writing, the duties and obligations under this Agreement of the assigning or transferring party, and upon such assignment or transfer and assumption of the duties and obligations, the assigning or transferring party shall furnish or cause to be furnished to the other party a true and correct copy of such assignment or transfer and assumption of duties and obligations.

10.10 Governmental Authorizations; Compliance with Law. This Agreement shall be subject to all valid applicable state, local and federal laws, orders, directives, rules and regulations of any governmental body, agency or official having jurisdiction over this Agreement and the transportation of Gas hersunder. Company and Shipper shall comply at all times with all applicable federal, state, municipal, and other laws, ordinances and regulations. Company and/or Shipper will furnish any information or execute any documents required by any duly constituted federal or state regulatory authority in connection with the performance of this Agreement. Each party shall proceed with diligence to file any necessary applications with any governmental authorities for any authorizations necessary to carry out its obligations under this Agreement. In the event this Agreement or any provisions herein shall be found contrary to or in conflict with any such law, order, directive, rule or regulation, the latter shall be deemed to control, but nothing in this Agreement shall prevent either party from contesting the validity of any such law, order, directive, rule, or regulation, nor shall anything in this Agreement be construed to require either party to waive its respective rights to assert the lack of jurisdiction of any governmental agency other than the FPSC over this Agreement or any part thereof. In the event of such contestation, and unless otherwise prohibited from doing so under this Section 10.10, Company shall continue to transport and Shipper shall continue to take Gas pursuant to the terms of this Agreement. In

the event any law, order, directive, rule, or regulation shall prevent either party from performing hereunder, then neither party shall have any obligation to the other during the period that performance is precluded.

- 10.11 Law Governing Agreement: Venue. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida. The venue for any action, at law or in equity, commenced by either party against the other and arising out of or in connection with this Agreement shall be in a court of the State of Florida having jurisdiction.
- 10.12 Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original instrument as against any party who has signed it.
- 10.13 Specifically Superseded Agreements. This Agreement, on the Effective Date, supersedes and cancels the previous gas transportation agreement between the parties dated:

 January 30, 1995.

Operations

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first stated above.

SHIPPER.

ALLMAX EXTRUSIONS, INC.
A Delivere Corporation

Title: Vice President

WITNESS:

Kay a freall

	By will -
	Name: William D. Kramer Vice President &
	Title Chief Operating Officer-U.S.
WITNESS:	COMPANY:
Docy Boyer	CHESAPEAKE UTILITIES CORPORATION a Delaware Corporation
	By: Stepha C. Thomas
	Name: Stephen C. Thomason

EXRIBIT A TO GAS TRANSPORTATION AGREEMENT BETWEEN CHESAPEAKE UTILITIES CORPORATION AND ALUMAX EXTRUSIONS, INC.

Maximum Daily Quantities

The Maximum Deily Quantities (MDQ), in dekatherms, available for shipper are as follows:

MONTH	MDO
JANUARY	
FEBRUARY	
MARCH	
APRIL	
MAY	
JUNE	
JULY	
AUGUST	
September	
OCTOBER	
NOVEMBER	
DECEMBER	

Company:	Shipper:
Chesapeake Utilities Corporation	Alumax Extrusions, Inc.
By: Stepher Thon	By: Vice President &
Titlo: Vice President	TitleChief Operating Officer-U.S. Operation
Date: 11/20/97	Date: November 19, 1997

EXHIBIT B TO GAS TRANSPORTATION AGREEMENT BETWEEN CHESAPEAKE UTILITIES CORPORATION AND ALUMAX EXTRUSIONS, INC.

Transportation Rates

The rates to be charged for each dekatherm of Gas transported under this Agreement shall be as follows:

Rate per Dekatherm



In addition to the charge stated above per dekatherm, there will be a Monthly Meter Charge of \$40 per meter located at the Plant City facility per month.

Company:	Shipper:
Chesapeake Utilities Corporation	Alumax Extrusions, Inc.
By: Stephes. Thon	By: Will I
Title: Via President	Vice President & Title: Chief Operating Officer-U.S. Operations
	Time. Chiar that the thirteer-o.b. operations
Date:	Date: November 19, 1997

Page 1 of 6

									Eddick 2	EXHIBIT PAGE
=	נו	12		10	10	•	7	o	•	PAGE
1-7	1 - 16, 18 - 22, 24	2-14	2 - 4, 7 - 17	2 - 4, 7 - 16	2-9, 11, 13-15	2-25	4-31	4-8, 10-14, 19-21	3 - 16	LINE(S)
I I, K	L' K	Į J, K	LIK	t i, k	L J, K	L J, K	t i' K	t ı, ĸ	t i' x	COLUMNS
(I)	(I)	Ξ	(E)	(E)	(E)	(E)	Ξ	Ξ	3	RATIONALE

(1) Rationale

of LVCTS information separately from the Gas Transportation Agreements would give others the contained in the cost of service for the Gas Transportation Agreement Customers. The disclosure together, would provide sufficient information to calculate sensitive and competitive information Agreement Customers. The public disclosure of this information may prevent Chasapeake from shifty to calculate the allocated costs, volumes and pricing structure for the Gas Transportation disclosure of any of the components - allocated costs, volumes delivered, or price - sepurately or calculate the pricing information negotiated with the Gas Transportation Agreement Customers. The of the pricing information would be price convergence in future Gas Transportation Agreements. The delivered and price. Public disclosure of this information would impair the ability of Chesaposke disclosure of the costs allocated to each customer together with the volumes delivered, would give Utilities Corporation to negotiate terms and conditions in future Cas Transportation Agreements that accessially nagotisting Cas Transportation Agreements with customers. The information is regarded both the Company's and oustomers' competitors and the Company's other customers the ability to are most favorable to the Company and its general body of customers. The result of public disclosure This information is proprietary confidential business information regarding allocated costs, volumes

Page 2 of 6

as sensitive and confidential by the Gas Transportation Agreement Customers because its disclosure would impact the customers' shifty to compete in their native markets. In the event such information is made public, flature potential Gas Transportation Agreement customers may avoid the risk of public disclosure of their confidential information by refusing to negotiate with Chesapeake. This may lead to uneconomic bypass of Chesapeake's facilities.

Page 3 of 6

EXHIBIT	DAGE	I DOMES	COLIDAR	
	PAGE	LINE(S)	COLUMNS	RATIONALE
Exhibit 3	1	1 - 4, 8, 11	Amount	(1)
	2	1-4,6-7	Total	(1)
	3	1 - 8	Amount	(1)
	3	13, 15, 16, 18	Notes	(1)
	4	1 - 27	Description, Amount	(1)
	5	5 - 6	Amount	(1)

(1) Rationale

This information is proprietary confidential business information regarding allocated costs, volumes delivered and price. Public disclosure of this information would impair the ability of Chesapeake Utilities Corporation to negotiate terms and conditions in future Gas Transportation Agreements that are most favorable to the Company and its general body of customers. The result of public disclosure of the pricing information would be price convergence in future Gas Transportation Agreements. The disclosure of the costs allocated to each customer together with the volumes delivered, would give both the Company's and customers' competitors and the Company's other customers the ability to calculate the pricing information negotiated with the Gas Transportation Agreement Customers. The disclosure of any of the components - allocated costs, volumes delivered, or price - separately or together, would provide sufficient information to calculate sensitive and competitive information contained in the cost of service for the Gas Transportation Agreement Customers. The disclosure of LVCTS information separately from the Gas Transportation Agreements would give others the ability to calculate the allocated costs, volumes and pricing structure for the Gas Transportation Agreement Customers. The public disclosure of this information may prevent Chesapeake from successfully negotiating Gas Transportation Agreements with customers. The information is regarded as sensitive and confidential by the Gas Transportation Agreement Customers because its disclosure would impact the customers' ability to compete in their native markets. In the event such information is made public, future potential Gas Transportation Agreement customers may avoid the risk of public disclosure of their confidential information by refusing to negotiate with Chesapeake. This may lead to uneconomic bypass of Chesapeake's facilities.

Page 4 of 6

EXHIBIT	PAGE	LINE(S)	COLUMNS	RATIONALE
Exhibit 4	1	1 - 4, 8, 11	Amount	(1)
	2	1 - 4, 6, 7	Total	(1)
	3	1-8	Amount	(1)
	3	13, 15, 16, 18	Notes	(1)
	4	1 - 28	Description, Amount	(1)
	5	5, 6	Amount	(1)

(1) Rationale

This information is proprietary confidential business information regarding allocated costs, volumes delivered and price. Public disclosure of this information would impair the ability of Chesapeake Utilities Corporation to negotiate terms and conditions in future Gas Transportation Agreements that are most favorable to the Company and its general body of customers. The result of public disclosure of the pricing information would be price convergence in future Gas Transportation Agreements. The disclosure of the costs allocated to each customer together with the volumes delivered, would give both the Company's and customers' competitors and the Company's other customers the ability to calculate the pricing information negotiated with the Gas Transportation Agreement Customers. The disclosure of any of the components - allocated costs, volumes delivered, or price - separately or together, would provide sufficient information to calculate sensitive and competitive information contained in the cost of service for the Gas Transportation Agreement Customers. The disclosure of LVCTS information separately from the Gas Transportation Agreements would give others the ability to calculate the allocated costs, volumes and pricing structure for the Gas Transportation Agreement Customers. The public disclosure of this information may prevent Chesapeake from successfully negotiating Gas Transportation Agreements with customers. The information is regarded as sensitive and confidential by the Gas Transportation Agreement Customers because its disclosure would impact the customers' ability to compete in their native markets. In the event such information is made public, future potential Gas Transportation Agreement customers may avoid the risk of public disclosure of their confidential information by refusing to negotiate with Chesapeake. This may lead to uneconomic bypass of Chesapeake's facilities.

Page 5 of 6

EXHIBIT	PAGE	LINE(S)	COLUMNS	RATIONALE
Exhibit 5	Exhibit A, Page 13	ΑII	MDQ	(1)
	Exhibit B, Page 14	Ali	Rate per Dekatherm	(2)

(1) Rationale

This information is proprietary confidential business information regarding contractual terms and pricing. Public disclosure of this information would impair the ability of Chesapeake Utilities Corporation to negotiate terms and conditions in future Gas Transportation Agreements that are most favorable to the Company and its general body of customers. The public disclosure of this information may prevent Chesapeake from successfully negotiating Gas Transportation Agreements with customers. The information is regarded as sensitive and confidential by the Gas Transportation Agreement Customers because its disclosure would impact the "ustomers' ability to compete in their native markets. In the event such information is made public, future potential Gas Transportation Agreement customers may avoid the risk of public disclosure of their confidential information by refusing to negotiate with Chesapeake. This may lead to uneconomic bypass of Chesapeake's facilities.

(2) Rationale

This information is proprietary confidential business information regarding contractual terms and pricing. Public disclosure of this information would impair the ability of Chesapeake Utilities Corporation to negotiate terms and conditions in future Gas Transportation Agreements that are most favorable to the Company and its general body of customers. The result of public disclosure of the pricing information would be price convergence in future Gas Transportation Agreements. Moreover, the public disclosure of this information may prevent Chesapeake from successfully negotiating Gas Transportation Agreements with customers. The information is regarded as sensitive and confidential by the Gas Transportation Agreement Customers because its disclosure would impact the customers' ability to compete in their native markets. In the event such information is made public, future potential Gas Transportation Agreement customers may avoid the risk of public disclosure of their confidential information by refusing to negotiate with Chesapeake. This may lead to uneconomic bypass of Chesapeake's facilities.

Page 6 of 6

EXHIBIT	PAGE	LINE(S)	COLUMNS	RATIONALE
Exhibit 6	Exhibit A, Page 14	ΑШ	MDQ	(1)
	Exhibit B, Page 15	ΑD	Rate per Dekatherm	(2)

(1) Rationale

This information is proprietary confidential business information regarding contractual terms and pricing. Public disclosure of this information would impair the ability of Chesapeake Utilities Corporation to negotiate terms and conditions in future Gas Transportation Agreements that are most favorable to the Company and its general body of customers. The public disclosure of this information may prevent Chesapeake from successfully negotiating Gas Transportation Agreements with customers. The information is regarded as sensitive and confidential by the Gas Transportation Agreement Customers because its disclosure would impact the customers' ability to compete in their native markets. In the event such information is made public, future potential Gas Transportation Agreement customers may avoid the risk of public disclosure of their confidential information by refusing to negotiate with Chesapeake. This may lead to uneconomic bypass of Chesapeake's facilities.

(2) Rationale

This information is proprietary confidential business information regarding contractual terms and pricing. Public disclosure of this information would impair the ability of Chesapeake Utilities Corporation to negotiate terms and conditions in future Gas Transportation Agreements that are most favorable to the Company and its general body of customers. The result of public disclosure of the pricing information would be price convergence in future Gas Transportation Agreements. Moreover, the public disclosure of this information may prevent Chesapeake from successfully negotiating Gas Transportation Agreements with customers. The information is regarded as sensitive and confidential by the Gas Transportation Agreement Customers because its disclosure would impact the customers' ability to compete in their native markets. In the event such information is made public, future potential Gas Transportation Agreement customers may avoid the risk of public disclosure of their confidential information by refusing to negotiate with Chesapeake. This may lead to uneconomic bypass of Chesapeake's facilities.

Exhibit "1"

Cost of Service Study

(14 pages)

CHESAPEAKE UTLITES CORPORATION FLORIDA DIVISION FOR THE YEAR ENDED DECEMBER 31, 1884

SCHEDULE - A (COST OF SER VICE) CLASSIFICATION OF RATE BASE (Page 1 of 2 PLANT)

PAGE 1

LINE	0	TOTAL	CUSTOMER	CAPACITY	COMMODITY	G CLASSIFIER
1	LOCAL STORAGE PLANT	0		0		100% capacity
2	INTANGIBLE PLANT:	1,040,086	1,002,616	37,452		direct assignment
3	PRODUCTION PLANT	0		0		•
4	DISTRIBUTION PLANT:					
5	374 Land and Land Rights	14,589		14,589		•
	375 Structures and Improvements	203,213		203,213		•
7	376 Mains	11,522,071		11,522,071		•
	377 Comp.Sin.Eq.	0		0		
9	378 Mens & Reg Sta EqGen	428,703		426,703		
10	379 Mees & Reg Ste EqCG	691,130		691,130		•
11	380 Sarvices	2,316,820	2,316,620			100% customer
12	381-382 Melers	1,384,935	1,384,935			•
13	363-384 House Regulatura	529,266	529,996			•
14	385 Industrial Mean & Reg.Eq.	1,089,988		1,089,788		100% capacity
15	386 Property on Customer Premises	0	0	0	0	au 374-385
16	387 Other Equipment	171,623	39,995	131,628	0	ac 374-306
17	Total Distribution Plant	18 330 845	4,271,745	14,058,900	0	The state of the s
18	GENERAL PLANT:	1,671,908	635,953	635,963		50% customer 50%, capacity
19	PLANT ACQUISITIONS:	123,409		123,400		100% capacity
20	GAS PLANT FOR FUTURE USE:	0		0		•
21	CWIP:	204,228	47,593	156,635	0	diet plant
72	TOTAL PLANT	21,370,256	6,157,907	15,212,340	0	-

CHESAPEAGE UTLITIES CORPORATION FLORIDA DANSION FOR THE YEAR ENDEY DECEMBER 31 HISS

SCHEDULE - A (COST OF SERVICE) CLASSIFICATION OF RATE BASE (Page 2 of 2 ACCUMULATED DEPRECIATION)

A LINE	8	C TOTAL	D CUSTOMER	CAPACITY	COMMODITY	G CLASSIFIER
·· 1	LOCAL STORAGE PLANT			····	0	المناز المنطقة
2	INTANGIBLE PLANT	175,244	54,308	120,936	0	religioni account
3	PRODUCTION PLANT DISTRIBUTION PLANT	0		0		•
5	375 Structures and Improvements	14,940	0	14,940	0	•
6	37% Maire	3,333,181	Ō	3,333,181	Ō	•
7	377 Compressor Sta. Ed.	0	Ĵ	0	0	•
	378 Manu & Rog Sto. EqGan	48,892	0	48,892	0	•
9	379 Manu & Rog Std. EnCG	115,387	0	115,367	0	•
10	380 Services	417,672	417,672	0	0	
11	301-302 Meters	400,753	400,753	Q	0	•
12	383-384 House Regulators	127,976	127,978	0	0	•
13	305 Indust Nam. & Roy Str. Eq.	165,013	0	165,013	0	•
14	385 Property on Customer Premises	0	0	0	0	•
15	387 Other Equipment	33,128	7,720	25,408	0	*
16	Total A.D. on Dist. Plant	4,654,920	882(121	3,700,799	0	
17	GENERAL PLANT	595,440	297 720	297,770	0	general plant
16	PLANT ACQUISITIONS	123,409	0	123,409	0	plant acquisitions
19	RETIREMENT WORK IN PROGRESS:	67	16	51	0	distribution plant
20	TOTAL ACCOMPLATED DEPAREMENTON	5,545,000	1,308,164	4,242,816	o	
21	NET PLANT (Plant less Ascum, Dnp.)	15,821,176	4,651,742	10,989,434	0	
72	Issa.CUSTOMER ADVANCES	0	0	0		50% cost 50% cap
23	plus WORIGING CAPITAL	(766,036)	(484,817)	(288,738	(12,471)	oper, and maint eup.
24	equals TOTAL RATE BASE	15,058,150	4,386,925	10,880,695	(12,471)	

SCHEDALE - B (COST OF SERVICE) CLASSIFICATION OF EXPENSES (Page 1 of 2)

JIE.	7	TOTA	CUSTOMER	CAMCITY	COMMODITY	CLARRIPER
1	CONTRACTOR AND WARRANANCE DO THE ST					
2	LOCAL STORAGE PLANT:	0	0	0	0	ac 301-320
3	PRODUCTION PLANT	0		0		100% capacity
4	DISTRIBUTION					
5	870 Operation Supervision & Eng.	297,607	141,301	156,306	0	ac 871-879
8	871 Diet Loed Dispeich	67,553	7.5	87,553		100% capacity
7	572 Compr. Sta. Lab. & Ex.	0	0	0	0	
8	573 Compr.Sta Fuel & Power	0			0	100% curtered
9	874 Mains and Services	163,784	27,420	130,364	0	ac376+ac380
10	875 Mean & Reg. Sta. EqGen	0	0	0	0	ac 378
11	876 Mana & Rog. Sta Eq. Ind	0	o	0	0	
12	877 Mans & Reg. Sta.EqCG	36.673	0	28,873	0	ac 379
13	578 Meter and House Reg.	208,337	208 337	0	0	ac381+ac383
14	879 Lank Investigation	12,033	2.014	10,010	0	ac376+ac380
15	860 Other Expenses	57 8GB	13.471	44.337	0	ac 367
16	861 Rents	9.430	0	2.430		100% capacity
17	685 Maintenance Supervision	0	_	0		
18	866 Maint, of Struct, and Improv.	ő	ō	0		
19	887 Maintanance of Mains	135.661	o	135,681	0	ac376
20	886 Maint of Comp Sta Eq.	0	0	0	_	ac 377
21	850 Maint, of Mean & Reg. Sta. EqGen	16 202	ő	16.202	_	ac 378
22	500 Maint of Mess & Reg. Sta Eq. Ind.	63.063	0	63.063	-	wc 365
23	891 Maint of Mean & Reg Sta EgCG	17.956	0	17,950		ac 379
24	892 Maintenance of Services	31,030		17,000		ac 380
25	803 Maint, of Maters and House Reg.	59.312	39.312	o	-	ac381-383
-	894 Maint, of Other Equipment	17,950		13.767	_	Commercial
27	Total Distribution Expenses	1,702,619		717,550		60307
_	CHARTONER LOCALISTS					
25	CUSTOMER ACCOUNTS:		-			
29	901 Suparvision	87,974				100% customer
30	902 Meter-Resuling Expense	77,163				
31	903 Records and Collection Exp.	305,768				
32	904 Uncollectible Accounts	31,529			31,529	
33	905 Mac. Expenses	0			-	100% customer
34	Total Customer Accounts	407,434	465,905	٥	31,529	
35	(907-910) CUSTOMER SERV & IMPO. EXP.	5,873	5,873			•
36	(911-916) SALES EXPENSE	205,860	205,880			•
37	(832) MAINT, OF GEN. PLANT	24,917	12,459	12.459	0	general plant
38	(920-931) ADMINISTRATION AND GENERAL	1,510,030	916.271	569,175	24,583	OLM and ALG
30	TOTAL ORM EXPENSE	3,446,752	2 001 408	1 200 184	56 112	

CHERAPEAKE UTILITIES CORPORATION
FLORIDA DAVISION
FOR THE YEAR ENDED DECEMBER 31 1986

SCHEDULE - B (COFT OF SERVICE) CLASSIFICATION (F EXPENSES (Page 2 of 2)

A	8	С	0	E	F	G	н
JNE		TOTAL	CUSTOMER	CAPAC IY	COMMODITY	REVENUE	CLASSIFIER
1	DEPRECIATION AND AMORTIZATION EXPENSE:						
2	Depreciation Expense	719,208	230,572	496 898	0		rupt physic
3	Amort, of Other Gas Plant	184,667	130,2F.	84,405			miamathie pieri
4	Amort, of Property Loss	G		3			100% cassadar
5	Arnert, of Limited-Ierre Inv.	G	0	a	0		Irincollin piert
6	Amort, of Acquisition Adj.	Ö	0	o	ō		intervidutiyan pis
7	Amort, of Communion Costs	ō	-		0		100% commodity
8	Total Depres, and Amert, Experies	2009,9995	320,834	583, 101		ō	,,
9	TAXES OTHER THAN INCOME TAXES.						
10	Reverse Reinlad	122,701				122 201	100% revenue
11	Clihar	503,170	154,303	346,867	0		real phone
12	Total Taxes other their Incents Taxes	625,871	154,309	348,867	0	122,701	
13	REV CROT TO COS(NEG.OF OTHER OFFEREN)	(74,387)	(74,387)				100% customer
14	RETURN (REQUIRED NOt) = 9.00% of columns	1,363,261	397,241	987,149	(1,129)		rate base
16	INCOME TAXES	990,317	172,013	418,793	(489)	0	rehero(red)
16	TOTAL OVERALL COST OF SERVICE	6,858,750	3,051,460	3,617,096	54.465	122,761	_

PAGE 5

CHEMPLARE UTLITIES CORPORATION
PLORIDA DIVISION
FOR THE YEAR ENDED DECEMBER 31 - 400

SCHEDULE - C (COST OF SERVICE) DEVELOPMENT OF ALLOCATION FACTORS

	•	c	D	Æ	F	G	н	t
LNE					COMMERCIAL			SPECIAL
	ALLOCATION FACTOR	TOTAL	RESIDENTAL	COMMERCIAL	LANGE VCL.	NOUSTRIAL.	MTERRUPT	CONTRACTS
1	CUSTOMER COSTS							
2	No of Cophymers	8,530	7,881	778	23	39	14	5
3	Weighting	NA	1	3	10	37	37	064
4	Weighted He. of Customers	12,000	7,001	2,086	235	1,448	525	464
5	Allocation Pacities	1	69.72%	16.57%	1.00%	11,48%	4 15%	5.25%
	CAPMOTTY COSTS							
7	Peak & Aug. Month States Vol. (Aurous)	13,200,012	330,762	451,282	177,007	1,562,227	2,124,171	8,014,003
	Altecation Fectors	1	2.99%	3.40%	1.34%	11.91%	16.00%	64.82%
•	MAIN ALLOCATION DOLLARS	8,003,120	591,291	1,394,675	948,301	1,982,383	1,992,414	2,176,062
10	Allocation Factors	1	6.87%		6.30%	23.10%	22.11%	25.29%
11	COMMODITY COSTS							
12	Autual Sales Vol. Shorms	129,006,006	2,384,379	4,420,666	1,700,300	10,530,202	19,087,786	81,730,067
13	Allocation Pacitors	1	1.67%		1.475	13.12%	15.15%	64 87%
14	REVENUE-RELATED COSTS							
14	Tax on Cont.Cop.A Commed.	128,245	42,461	21,303	5,842	24,786	20,081	11.00
10	Alacelia Parises	-	22,63%		4.00%	10.02%		11,842
-		1	22,63%	14-18-39	4.000	78.6276	15.81%	1.30%

CHEMPEARE UTILITIES CORPORATION
PLORIDA DIMERON
FOR THE YEAR ENDED DECEMBER 31, NO.

SCHEDILE - D (COST OF SERVICE) ALLOCATION OF RATE BASE TO CUSTOMER CLASSES

THE R

A		C	0	E	COMMERCIAL	G	н	SPECIAL	J
100		TOTAL	PERCENT	COMMERCIAL	LARGE VOL	HOUSTFEAL	MIERRUPT	CONTRACTS	ALLOCATOR
1	PARTS A VOLTO LINE				_				
2	DIRECT AND SPECIAL ASSIGNMENTS:								
3	Customer								
4	Malers	984,182	620,547	109,336	18,952	117,018	42,436	15,890 v	amorbino conformes
5	House Regulators	402,019	253,800	© ,257	7,751	47,860	17.357	5,994 v	eld coint
	Services	1,869,140	1,217,103		37,172	229,511	83.235	0 *	ald cust
7	All Other	1,101,578	679,474	185,416	20,752	128,130	45,460	41,336 v	mighted qual. (direct
	Total	4.368,525	2,776,825		54,628	\$22.518	180,457	\$3,220	
•	Caspacity	,			- 4				
in.	Industrial Mass & Reg. Ste. Eq.	204,953			29,947	206,352	367,583	250.571 c	continue training to
11	Maga &Rag Sta EqGen.	378,811	23,813	31,630		110,895	148,861		Making spinsting
12	Mains	6,100,690	501,201	1,394,675		1,992,393	1,902,414		main altractional
	All Other	1,207,441	73,291		67,714	246,958	236,805		main allocidined
	Total	10 840 668	689,394			2.016.600	2.644.583		
=	Commodily	10,000,000				4,014,400	ale a change	Wat solved	
=	Account 6								
45	Account #								
17	Account #			0					
100	All Other	265 270	-		2000	(3.272)	0.746	1 ST 6760	present selec
20	Total	(12,471)	639	650	(253)	2,377	2.745	(0,106)	
Z	Total	(12,4/1)	Case	(600)	(233)	(2,377)	(J. 740)	1 (0,100)	
21	TOTAL	18,000,1486	1,400,000	236102	740,007	1,191,721	2,831,436	2,532,1226	

CHESAPEAGE UTILITIES CORPORATION
PLORIDA DAVISION
FOR THE YEAR ENGED DECEMBER 31, 1886

Commodily

SCHEDULE - E (COST OF SERVICE) ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES (Page 1 of 2)

A		С	D	E	COMMERCIAL	G	н	SPECIAL	1
		TOTAL	RESIDENTAL	COMPERCIAL	LANGE VOL	BEDUSTIBAL.	OFFERBLET	CONTRACTS	ALLOCATOR
	OPERATIONS AND MAINTENANCE EXPENSE:								
	DIRECT AND SPECIAL ASSIGNMENTS:								
	Customer								
	878 Maters and House Regulators	206,337	132,235			24,936	9,043		whit coult issued
	693 Maint, of Maters & House Ring,	50,312	16,633		1,125	6,946	2,519		wild.comb./direct
	874 Maine & Services	163,784	194,701			19,744	7,160		wild.comt./climics
	892 Maint of Services	31,030	19,835			3,750	1,360		sald.comi./direct
	All Other	1,630,983	1,028,525			193,851	70,336		whit.cost.id/mol
	Total	2,061,456	1,322,180	365,650	40,361	240,326	90,421	26,346	
	Capacity				_				
	876 Measuring & Ring, Sta. Eq I	0				9.717	13,046		positiverson salesidire
	890 Maint, of Meas, & Reg. Sta. Eq. 4	43,063	2,007			981 700			pretrierenge solución
	874 Mains and Services	163,764	14,660			56,138 41,445	47,874 30,574		main allocation/direct
	867 Maint, of Mains	135,691	12,300			271,473	250,213		man attorner-and
	All Other	1,260,184	100,833			372,774	359.706		
	Total	1,280,104	109,843	200,712	100,000	404,114	350,710	34,310	
	Account #	0		0		0	9		
	Account #	0					0		
	Account 6	0	_		-	o o	o o		
	A6 Other	56,112					2,450		wild coppl (direct)
	Total	\$4,112		0,013	1,000	2761	2.450		
					1,000	907.			
1	TOTAL CAM	1,441,457	1,070	67,50	142,120	63,561	42,987	127,067	
	DEPRECATION EXPENSE								
	Customer	220,672	138,400	30,000	4,136	25,630	0,202	9.74	resighted cond.
	Cornelly				33.176		115.53	108.40	main absorberations
	Total	7 10,300	38,387 171,387	121 64	33,176	128,900 148,826	115,53	117,65	
	AMORT OF GAS PLANT:								
١	Contorner	100,302	90,340	9,121	270				market of continues
1	Capacity	184,000	7.	10,311	7,174	1,00	- N. W.		main allocation/graph
	Total	184,667	98,014	27/45	K.	36,022	2.4		
Ĺ	AMORT, OF PROPERTY LOSS								
1	Copacity	0		,					positro-oraga salas
	AMORT OF LIMITED TERM INVEST								
)	Compacity	0		,	9 0	0		,	past/s-eraps sales
1	AMORT, OF ACQUISITION ADJ.								
t	Conformer		1						weighted mark
ı	Capacity) dinal
)	Talui								
)	AMORT OF CONVERSION COSTS								
	A								

PALIF !

CHEMPEARE UTILITIES CORPORATION FLORIDA DIMINION FOR THE YEAR ENDED DECEMBER 31 1888

SCHEDULE - E (COST OF SERVICE) ALLOCATION OF COST (OF SERVICE TO CUSTOMER CLASSES Fram 2 of 2)

A		c	D	E	COMMERCIAL	G	н	SPECIAL	
HE		TOTAL	RESIDENTIAL	COMMERCIAL	LARGE VOL	NOUSTRIAL	NTERRUPT	CONTRACTS	ALLOCATOR
1	TAXES OTHER THAN SICONE TAXES			•					
2	Continuer	154,303	97,771	26,680	2,905	10,457	5,500	1,740	weighted and /direct
	Capacity	349,857	24,235	56,299	23,110	92,118	83,107	59,986	directi
	Substant	503, 170	122,008	62,979	24,004	110,555	99,793		100
	Revenue	122,701	37,112		5.072	21,652	17,556		tex on such cap & comm
	Total	625,871	150,118		31,100	132,207	117,340		
	RETURN (NO)								
	Customer	307.241	290,900	60,400	7,003	Q.314	17,190	5,728	cost of FB
	Capacity	967,140	62,226	144,794	10.401	234,886	230,449	224.273	case rel.PS / direct
	Commodity	(1,120)	Q1		(4)	(216)	24	661	central rel 78
1	Total	1,383,281	3(3.302	213,100	67,507	283,597	20,000		
2	INCOME TAXES								
3	Customer	172,013	100,827	20,007	3,324	20,027	7,442	2,201	east as Pillettes
1	Capacity	410,793	27,329		26,000	100,078	104,983	13,847	esp.rel.Pillebreck
	Commodity	1400	(16)		(11)		(110)		Andrea and Pills
1	Total	868,317	138, 141		28,373	134,256	112,3%		
,	REVENUE CREDITED TO COS								
ı	Custome	(74,387)	(44,632	(20,756		0	0		direct programmed
	TOTAL COST OF SERVICE								
)	Customer	3,051,490	1,960,733	501,960	58,761	361,563	121,136		
1	Capacity	3,817,000	267,393	624,490	249,560	952,823	937,756	585,044	
1	Commodity	54,493	35,015	9,726	1,084	6,403	2,000		
	Subtotal	4.733.54	2,284,841		309 410	1,330,876	1,070,963	631 347	
	Revenue	122,701	37,112		5,072	21,682	17,550	22,686	
5	Total	4,888,750	2,301,153		314,488	1,342,531	1 68 539	954 11	

CHEBAPEARE UTILITIES CORPURATION
FLORIDA DIAMEION
FOR THE YEAR ENDED DECIMINER 31, 1986

SCHEDULE - F (COST OF SERVICE) DERIVATION OF REVENUE DEFICIENCY

PAUE

LINE		C	0		COMMERCIAL	G	н	SPECIAL.
		TOTAL	REDDENTAL	COMMERCIAL	LARGE VOL	DEPUBLICAL.	SITERIALPY	CONTRACTS
1	CONT OF BEHAVIOR BY CURROLINEA CLASS							
2	CUSTOMER COSTS	3,061,460	1,980,733	501,988	58,761	381,593	131,136	47,269
3	CAPACITY COSTS	3,017,000	267,383	624,490	249,590	952,823	937,756	585,044
4	COMMODITY COSTS	54,493	35,915	9,726	1,064	8,463	2,092	(700
5	REVENUE COSTS	122,701	37,112	18,624	5,072	21,652	17,556	22,005
	TOTAL	6,855,750	2,301,153	1,154,806	314,400	1,342,531	1,088,539	654,230
7	INNE REVENUE AT PRESENT RATES	6,855,750	1,615,036	1,022,427	242,450	1,224,437	624,651	1,020,741
	(in the projected test year)							
	equels GAS BALES REVENUE DEFICIENCY		686,118	132,381	72,020	118,084	263,800	(1,272,900
10	PAR DEPICIENCY IN OTHER OPERATING REV.	0				0	0	
11	CONTACTOR DATE REVENUE DEFECTION			135.21	72,020	119,094	25/86	0.272.57
12	UNIT COSTS:							
13	Customer	29 87 9864	21.271621	22/885330	212.001705	775.851283	775.051203	3030 074017
14	Capacity	0.272106	0.767025	1.383013	1.403005	0.902304	0.441400	0.408043
15	Controvelly	0 000433	0.015221	0.002151	0.000005	0.000301	0.000110	-0.000054

CHESAPEAKE UTILITIES CORPORATION FLORIDA DANISION FOR THE YEAR ENDED DECEMBER 31, 1986

SCHEDULE - G (COST OF SERVICE) RATE OF RETURN BY CUSTOMER CLASS (Page 1 of 2: PRESENT RATES)

r -3€ 10

Line	•	TOTAL	RESIDENTIAL.	CONNESCOA	COMMERCIAL LANGE VOL	REVETRAL.	BITERRUPT	SPECIAL CONTRACTS
1	REVENUES: (projected test year)							
2	Gen Seles (due to prooth)	4,000,700	1,615,035	1 022 427	342.460	1,224,437	824.651	1,826,741
3	Other Operating Revenue	74,387	44,632	7,735	0	0	0	
4	Total	Aucid, 137	1,000,007	1,462,162	24.46	1,724,437	624,651	1,224,741
5	EXPENSES:							
	Purchassed Gas Cost	0	0		0	0	0	
7	ORM Expenses	3,440,752		627,524	142,120	628,881	452,587	127,667
	Depreciation Expenses	710,300	171,337		37,311	146,528	124,787	117,657
9	Amortization Expenses	184,697	98,014		7,445	26,622	25,149	
10	Taxes Other Than Income-Fixed	503,170	122,006		26,096	110,555	99,793	61,741
11	Taxes Other Than Income-Revenue	122,701	37,112	18,624	5,072	21,652	17,554	22,680
12	Total Expines excl. Income Taxos	4,976,950	1,898,441	579,214	218,044	834,230	719,872	329,7%
13	INCOME TAXES:	500,317	135,628	92,327	29,047	122,983	111,021	99,301
14	NET OPERATING INCOME	1,519,721	077.402	81,641	(4,632)	167.207	6.242	1,467,60
15	RATE BASE:	15,056,150	3,458,980	2,364,882	740,807	3,130,741	2,601,435	2,532,52
16	RATE OF RETURN	0.00%	-10.77%	10%	0.03%	5,33%	0.22%	39,149

CHESAPEARE UTILITIES CORPORATION FLORIDA DIVISION FOR THE YEAR BINDED DECEMBER 31. 1988.

SCHEDULE - G (COST OF SERVICE) RATE OF RETURN BY CUSTOMER CLASS (Page 2 of 2: PROPOSED RATES)

LINE	8	c	D	£	COMMERCIAL	G	н	SPECIAL
		TOTAL	RESIDENTIAL	COMMERCIAL	LARGE VOL	HOUSTRIAL	INTERRUPT	CONTRACTS
1	REVENUES							
2	Gen Bates	6,856,750	1,700,297	1,154,808	314,488	1,342,531	1,000,530	1,107,000
3	Other Operating Revenue	74,387	44,632	29,750				0
4	Total	6,890,137	1,012,829	1,184 583	314,406	1,342,531	1,000.530	1,187,000
5	EXPENSES:							
	Purchased Gas Cost	0	0	0	0	0	0	0
7	OSM Expenses	3,448,752	1,467,973	627,524	142,120	628,881	452,587	127,667
	Depreciation Expanses	719,268	171,337	121,649	37,311	146,528	124,787	117,657
9	Amortization Expenses	184,667	98,014	27,437	7,445	26,622	25,149	0
10	Taxes Other Than Income-Fixed	503,170	122,006	82,979	26,098	110,555	99,793	61,741
11	Taxon Other Than Income-Revenue	122,701	37,112	18,624	5,072	21,652	17,556	22,885
12	Total Expans excl. Income Taxes	4,879,558	1,898,441	878,214	218,044	934,238	719,872	329,750
13	PRE TAX NO!	1,853,578	(83,512	306,349	96,444	408,293	368,657	857,338
14	INCOME TAXES: (affec on pre tax noi)	500,317	Q5,235	92,570	29,143	123,375	111,401	259,084
15	NET OPERATING INCOME:	1,363,261	68.277	213,779	64,301	284,918	257,266	598,274
16	RATE BASE	15,005, 150	3,459,000	2,354,862	740,807	3,136,741	2,631,436	2,532,525
17	RATE OF RETURN	3,00%	-1.612	9.00%	9,0076	9,00%	9.00%	23.62%

CHESIAPEANE UTILITIES CORPORATION FLORIDA DAMION FOR THE YEAR ENDED DECEMBER 31, 1986

COST OF SERVICE SUMMARY PROPOSED RATE DESIGN

LINE	•	C	D	E	COMMERCIAL	G	86	SPECIAL.
		POTAL	RENDENTAL	COMPERCIAL	LARGE VOL	ODUSTRIAL.	MITERIAL PT	CONTRACTS
1	PRESENT RATES (projected test year)							
2	GAS SALES (due to proadh)	6,855,790	1,615,035	1,022,427	242,450	1,224,437	824,661	1,026,741
3	OTHER OPERATING REVENUE	74,387	44,632	3,755	0	0	0	0
4	TOTAL	6,630,137	1,059,657	1,052,182	242,450	1,224,437	624,651	1,026,741
5	RATE OF RETURN	9.00%	-10.77%	3.47%	-0.63%	5.33%	0.22%	59.14%
	MOEX	1.00	-1.19	0.36	-0.07	0.50	-0.02	0.53
7	PROPOSED RATES							
	GAS SALES	6,855,750	1,768,297	1,154,808	314,488	1,342,531	1,088,538	1,187,000
	OTHER OPERATING REVENUE	74,307	44,632	29,755	0	0	0	0
10	TOTAL	6,830,137	1,812,929	1,184,583	314,466	1,342,531	1.000,530	1,187,089
11	TOTAL REVENUE INCREASE	0	153,262	132,381	72,029	118,094	263.866	(736 853)
12	PERCENT INCREASE	-0.00%		12.50%	29.71%	9.64%	32.00%	30.39%
13	RATE OF RETURN	1.00%	-1.00%	9.00%	9.00%	9.00%	0.09%	23,62%
14	DIDEX	1.00	-0.16	1.00	1.00	1.00	1.00	

CHESAPEARE UTILITIES CORPORATION
FLORIDA DANSION
FOR THE YEAR ENDED DECEMBER 31 1550

COST OF SERVICE SUMMARY CALCULATION OF PROPOSED RATES

LINE		C	D	E	F COMMERCIAL	G	н	SPECIAL
		TOTAL	RESIDENTIAL	COMMERCIAL	LARGE VOL	HOUSTRIAL	RITERRUPT	CONTRACTS
1	PROPOSED TOTAL TARGET REVENUES	6,930,137	1,812,929	1,184,563	314.488	1,342,531	1,086,539	1,187.088
2	LESS:OTHER OPERATING REVENUE	74,387	44,632	29,755	0	0	0	0
3	LESS:CUSTOMER CHARGE REVENUES							
4	PROPOSED GUSTOMER CHARGES		\$7.00	\$15.00	\$50.00	140.00	\$350.00	#40 CD
5	TIMES:NUMBER OF BILLS	102,463	92,176	9,316	276	466	100	12
6	EQUALS: CUSTOMER CHARGE REVENUES	889,242	845,232	139,740	5.520	18,640	58, 150	980
7	LESS:OTHER NON-THERM-RATE REVENUES							
	EQUALS: PER-THERM TARGET REVENUES	5,986,508	1,123,005	1,015,016	308,968	1,323,891	1,029,389	1,186,128
9	DIVIDED BY NUMBER OF THERMS	125,995,685	2,358,279	4,510,908	1,700,393	16,530.252	19,087,796	81,738,057
10	EQUALS PER-THERM RATES(UNRINCED)		0.476222	0.224527	0.175511	0.000009	J 053029	Verfoux
11	PER-THERM RATES(RNDED)		0.47622	0.22453	0.17951	0.08000	0.05393	yadin,n
12	PER-THERM RATE REVENUES(RNOED RATES)	5,985,537	1,123,000	1,015,079	306,957	1,323,900	1,029,405	1,106,110
13	SUMMARY:PROPOSED TARFF PATES							
14	CUSTOMER CHARGES		\$7.00	\$15.00	120 00	\$40.00	\$350.00	MARIE
15	ENERGY CHARGES							
16	NON-GAS (CENTS PER THERM)		\$0.47622	\$0.22453	80.17551	NJ.08009	10.05303	VERHALIS
17	PURCHASED GAS ADJUSTMENT		0.000	0.000	0.000	U.000	0.000	0.000
18	TOTAL (INCLUDING PGA)		80.47623	10.22453	80.17551	\$0.09009	\$0.05393	Name .
19	SUMMARY: PRESENT TARFF RATES							
20	CUSTOMER CHARGES		36.50	815.00	\$20.00	\$40.00	\$350.00	Vanishes.
21	ENERGY CHARGES							
22	NON-GAS (CENTS PER THERM)		80.43126	80 19532	\$0.13465	\$0.07348	10.04032	100mas
23	PURCHASED GAS ADJUSTMENT		0.000	0.000	0.000	0.000	0.000	0.000
24	TOTAL (INCLUDING PGA)		80.43126	80.19532	10,13465	\$0.07348	\$0.04032	various

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION
FOR THE YEAR ENDED DECEMBER 31 1986

COST OF SERVICE SUMMARY CALCULATION OF PROPOSED RATES

LINE	•	C	D		COMMERCIAL	G	н	SPECIAL
			PROPERTAL	COMMERCIAL	LARGE VOL	BELIEFFRAL	BITE BRUPT	CONTRACTS
1	Proposed rates including gross receipts tax		80.47622	\$0.22453	\$0.17551	\$0.09009	\$0.05383	VINDUS
2	Divide by current revenue related tax multiplier		1.01911	1,01911	1.01911	1.01911	1.01911	
3	Unadjusted rate		0.46729	0.22032	0.17222	0.07659	0.05292	
4	Multiply by PSC tex multiplier		1.00376	1.00376	1.00376	1.00376	1.00376	
5	Proposed mins excluding gross receipts in		10.40 0.	10.22115	80 17287	\$0.07000	\$0.05013	
	Existing man		\$1.012	\$0.18532	No 13485	10.07340	£70-025	ř.
7	% increase (decrease) from entiring non-final raise		8.79%	13.22%	3.30%	7.30%	31.75%	

Exhibit "2"

. :

Detailed Cost of Service Study

(Redacted Version)

(14 pages)

CHEMPEARE UTILITIES CORPORATION FLORIDA DAMBION FOR THE YEAR ENDED DECEMBER 31, 1988

SCHEDULE - A (COST OF SERVICE) CLASSIFICATION OF RATE BASE (Page 1 of 2 PUANT)

A	₿.	Ç	D	E	F	G
UNE		TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
1	LOCAL STORAGE PLANT	5		٥		100% capacity
2	SITAMONILE PLANT	1,040,088	1,002,816	37,452		druct eneignment
3	PRODUCTION FLANT	0		0		•
4	CHETRIBLITION PLANT:					
5	374 Lord and Land Rights	14,589		14,580		•
	375 Shushous and Improvements	203,213		203,213		•
7	379 Mairo	11,522,071		11,522 071		•
a	377 Cump Sta. Es.	0		0		•
9	379 Noom.& Rog. Stn. EqGen	426,703		428,705		•
10	379 Hope & Reg. Stn. Eq. CO	691,130		891,130		•
11	300 Services	2,316,820	2,316,820	•		100% contents
12	301-362 Majors	1,384,935	1,384,835			•
13	363-364 House Republics	539,506	529,985			•
14	385 Industria Moun.& Roy. Eq.	1.089,588		1,089,598		100% capacity
15	388 Presette on Custation Prevalent	0	٥	0	٥	as: 374-365
16	367 Other Equipment	171,623	39,995	131,628	ŏ	ac 374-386
17	Total Characters Plant	18,330,845	4,271,745	14,036,300		
18	GENERAL PLANT:	1,671,908	635,863	635,953		50% ovelamer,50%, oupech
19	PLANT ACQUISITIONS:	123,409		123,409		100% capacity
20	GAS PLANT FOR FUTURE USE:	0		0		•
21	CMP.	204,228	47,595	158,635	0	dist.plant
22	TOTAL PLANT	21,570,258	0,157,307	15,212,349	0	-

CHEMPERIE UTLITIES CORPORATION FLORIDA DIVISION FOR THE YEAR ENEAD DECEMBER 21, 1886

SCHEDULE - A (COST OF SERVICE) CLASSIFICATION OF RATE BASE (Page 2 of EACCUMULATED DEPRECIATION)

LIME	8	C TOTAL	D CUSTOMER	E CAPACITY	COMMODITY	G CLASSIFIER
1	LOCAL STORAGE PLANT	0	6		0	أحمام فتقولت
2	INTANGIBLE PLANT:	175,244	54,308	120,936	0	religioni econunt
3	PRODUCTION PLANT	0		0		•
- 4	DISTRIBUTION PLANT		•		0	•
2	375 Structures and Improvements 376 Mains	14,940 3,333,181	9	14,940 3,333,181	٥	
7	377 Compressor Sts. Ex.	3,333,181 0	ő	3,333,181	_	
<u> </u>	376 Menn. & Rep. Str. EqGen	46,892	ŏ	45,892	ŏ	•
	379 Mass. & Rog. Stn. EqCG	115,367	ō	115.387	ō	•
10	380 Sprobes	417,572	417,672	0	ō	•
11	381-382 Motors	400,753	400,753	0	0	•
12	383-364 House Regulators	127,976	127,976	0	0	•
13	365 Indeed Mone & Rep. No. Eq.	165,013	0	165,013	0	•
14	385 Property on Customer Promines	0	0	0	0	•
15	387 Other Equipment	33,126	7,720	25,408	0	•
16	Total A.D. on Dist. Plant	4,854,920	954,121	3,700,760	8	
17	GENERAL PLANT	595,440	297,720	297,720	0	gurarel plant
18	PLANT ACQUISITIONS:	123,409	0	123,409	0	plant acquellions
19	RETIREMENT WORK IN PROGRESS:	67	18	51	O	distribution plant
20	TOTAL ASSELTITATED SOME SHARES	5,500,500	1,330,164	4,242,918	0	-
21	NET PLANT (Flort loss Access, Dep.)	19,821,176	4,881,742	10,869,434	o	
72	Inno:CUSTOMER ADVANCES	0	0	0		50% cust 50% cap
23	plus-WORKING CAPITAL	(766,028)	(464,817)	(266,736	(12,471)	oper and meant sup.
24	equals TOTAL RATE BASE	15,085,180	4,388,925	10,660,665	(12,471)	

A		TOTAL	CUSTOMER	CAPACITY	COMMODITY	G CLASSIFIER
1	OFERATIONS AND MAINTENANCE EXPENSES					
2	LOCAL STORAGE PLANT:	0	0	0	0	ac 301-320
3	PRODUCTION PLANT	0		0		100% capacity
4	DISTRIBUTION:					
5	870 Operation Supervision & Eng.	297,607	141,301	156,308	0	ac 871-879
1	871 Diet Load Dispeich	87,553		87,553		100% capacity
	872 Compr.Sta.Lab. & Ex.	0	9	0	0	ac 377
1	873 Compr.Sta.Fuel & Power	0			0	100% commodi
	874 Mains and Services	163,784	27,420	136,364	0	HC376+BC380
0	875 Meas & Reg. Sta. Eq. Gen	0	0	0	0	ac 376
1	876 Mean & Reg. Sta.EqInd.	0	0	0	0	ac 365
2	877 Mess & Reg. Sta.EqCG	26,873	0	26,873	0	ac 379
•	878 Meter and House Reg.	208,337	206,337	0	0	ac361+ac363
	879 Leek Investigation	12,033	2.014	10,019	0	ac376+ac380
5	880 Other Expenses	57,808	13,471	44,337	0	ac 367
8	881 Runts	9,430	0	9,430		100% capacity
7	885 Maintenance Supervision	0	0	0	0	ac886-894
3	888 Maint, of Struct, and Improv.	0	0	0	0	ac375
•	887 Maintenance of Mains	135,681	0	135,681	0	ac376
)	868 Maint, of Comp.Sta.Eq.	0	0	0	0	ac 377
	889 Maint, of Mess. & Reg. Sta. EqGen	16,202	0	18,202	0	ac 378
2	890 Maint, of Mage, & Reg. Sta. EqIncl.	63,063	0	63.063	0	ac 385
3	891 Maint, of Meas & Reg. Sta. EqCG	17.956	0	17 986	0	ac 379
4	592 Maintenance of Services	31 030	31,030	0	0	ac 380
5	803 Maint, of Melara and House Reg.	59,312	59,312	0	0	ac381-383
8	894 Maint, of Other Equipment	17,960	4,183	13,767	0	ac 387
7	Total Cistribution Expurses	1,202,819	485,080	717 560		
	CUSTOMER ACCOUNTS:					
	901 Supervision	82,974	82,974			100% custome
3	902 Meter-Reading Expense	77,163	77,163			
1	903 Records, and Collection Exp.	305,768	305,768			•
2	904 Uncollectible Accounts	31,529			31,529	100% commod
3	905 Misc. Expenses	0	0			100% custome
À	Total Customer Accounts	497,434	465,905	0	31,529	
5	(907-910) CUSTOMER SERV,& INFO. EXP.	5,873	5,873			•
8	(911-916) SALES EXPENSE	205,880	205,880			•
7	(932) MAINT, OF GEN. PLANT	24,917	12,459	12,459	٥	general plant
8	(920-931) ADMINISTRATION AND GENERAL	1,510,030	916,271	589,175	24,583	O&M excl A&G
0	TOTAL OAM EXPENSE	3,448,752	2.001.456	1,200 184	58,112	0

CHEMPEARE UTILITIES CORPORATION
FLORIDA DAVISON
FOR THE YEAR ENDED DECEMBER 11, 1986

SCHEDULE - B (CONT OF SERVICE) CLASSIFICATION C F EXPENSES (Page 2 of 2)

A		C	D	E	F	G	н
UNE		TOTAL	CUSTOMER	CAPACITY	COMMODITY	REVENUE	CLASSIFIER
1	DEPRECIATION AND AMORTIZATION EXPENSE.						
2	Depreciation Expense	719,288	220 577	498,696	0		ned pheet
3	Arrest, of Other Gas Plant	154,667	100,7%2	84,405			Intergality plant
4	Arget of Property Lone	0		0			100% capacity
5	Areart, of Looking-term for	0	0	0	3		Intergable plant
6	Amort of Acquisition Adj.	0	0	0	0		Interviewingen plant
7	Amort of Conversion Caths	0		_	0		100% commodity
8	Total Deprez, and Amort. Expense	903,935	320,834	543,101	0	8	i
9	TAXES OTHER THAN INCOME TAXES.						
10	Revenue Related	1,22,701				122,701	100% revenue
11	Other	503,170	154,303	346,867	0		real plant
12	Total Tame offer then Income Toxes	625,871	154 303	344,567	0	122,761	-
13	REV CRUT TO COS(NEGLOF OTHE OPPLICEV)	(74,367)	(74,367)				100% customer
14	RETURN (REQUIRED HOL) = 9.08% of relepans	1,383,281	397,241	987,149	(1,129)		rela luna
15	INCOME TAXES	590,317	172,013	418,793	(489)	Q	refermions)
							_
16	TOTAL OVERALL COST OF SERVICE	6,855,750	3,061,460	3,617,098	54,493	122,701	-

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CHARACTERS STATEMENT CONTROL OF PLOTON AND ADDRESS OF THE PLOTON ADDRESS OF THE PLOTON AND ADDRESS OF THE PLOTON AND ADDRESS OF THE PLOTON AND ADDRESS OF THE PLOTON ADDRESS OF TH

SCHEDULE - C (COST OF SERVICE) DEVELOPMENT OF ALLOCATION FACTORS

A	•	C	D	E	F	a	н	4	2	ĸ
LINE	ALLOCATION FACTOR	TOTAL	RESCENTAL	COMMERCIAL	COMPRESSOR!	MEXISTRIAL	NTERNUPT	MC	ALLIBAN	LVCTB
ı	CUETOMER COSTS									
2	No of Control or		7,804	776	23	19	14		1 1	3
3	Mangara	MA.	1	1	10	37	17			
4	Manghana No. of Continuous	12,000	7.001	200	236	1 444	528		44	
5	Allegation Factors	t	60 7 7%	10 57%	1 80%	11 6%	4 10%			
	CAPACITY COSTS									
7	Philip & Aug. Morely States VOI (Bullion)	13,209,012	386,752	451 (24)	177.862	1 962 277	2 124,171			
	Allocate Factors	1	2 50%	3 45%	1.34%	11.91%	16 0005			
•	MAIN ALL DIEATION DOLLARS	8,008,120	301,291	: 384 675	546,301	1 982 393	1 802,414			
10	Amongsto Factors	t	6.87%	16 29%	6 30%	23 19%	22 17%			
11	COMMODITY COSTS									
12	Annual States Vol (Burths)	125. 593.688	2.356.279	4.629.900	1,700,303	16 530,252	19.067,766			
13	Allessials Factors	1	1 87%		1 40%	13 12%	16 18%			ľ
14	REVENUE-RISLATED CORTS									
15	Ten and Contact Command	138,349	4.44	21,389	5.862	24.786	20,004			
16	Allerston Patters	1	10 days.	16 67%	4 00%	19 62%	15 04%			

Children and Park Collection
Plantage Service
Park Tray Vision are the USC SHORT SY VISIO

SCHEDULE - D (COST OF SERVICE) ALLOCATION OF RATE BASE TO COSTONER CLASSES

.

	•	С	D	C	COMMENCIAL	\$	н	1	1	ĸ	L
LAME		TOTAL	RESCENTIAL	COMMERCIAL	LANGE VOL	HOUSTRAL	HTENNUTT	BAC .	ALUMAN	FACLE	ALLOCATOR
-	MATERIAL PROCESSION COARS								•		
2	DIRECT AND SPECIAL ASSIGNMENTS										
3	Continue										_
4	Marian.	894,162	E0.547			117,016		- 1			hading comme
5	10nato Regulatora	402.019	253,000			47 000	17.362		•		mini cam
6	Bartogan	1,000,140	1,217,100		37 172	729.511	85,776				
7	A4 (3)	1,191,576	673 , 474	198,416	2.732	128,130	44	_			registed that Abruct
	Teles	4 300.225	2778,925	792 (34)	AL	572 St 8	1 (8), 497	L			
9	Captority										
10	Industrial Moon & Play (No. Eq.	EH.863	9		20.847	200,352	167,540				Shirt risinipasi
11	Manus Affing Sto Eq. Gam	379,861	23.8+3			140,486	146,801				Secretaria maritari
12	Mare	A. HALLER	101,201			1,042,340	1.002.414				The state of
13	All Cities	1,267,441	73,781	172,671	67,714	249,000					Print standbroom
54	Temps	10,000,000	100.39 4	1,554,776	(C)	3.844.000	2,641,965				
15	Comments	_			_						_
16	Assessed C	•	ō	9	9		g .				Ĭ
17	Assisting #				0	9					9
4	Assemble 8	👤						-	• •		
10	Ad Other	(12.473				(2.377)					
	Traignal	(12.04)	-		(285)	(2,377)	ZA (CE)				
21	TOTAL	16,000,100	1,40,00	2,84,82	746,887	3136,741	2.51.45				

CHIEFFURE UPLINES CONFORMATION
PLOTES CONFORMATION
POR THE YEAR SHOULD DECEMBER 31 THIS

SCHEDULE - E (COST OF SERVICE) ALLOCATION OF COST OF SERVICE - TO CUSTOMER CLASSES (Page 1 of 2)

C D 3 1 á. COMMERCIAL APPROPRIES COMMITTION LARGE VOL ALLEMAN LUCTE ALLOCATOR UE DATE AND THE REAL OPERATIONS AND MAINTENANCE EXPENSE DIRECT AND SPECIAL ASSIGNMENTS Comment 876 littlers and House Regulators 863 blant of littlers & House Reg 204 337 112.75 36,005 4,036 74,996 9.043 mind count (direct 10.051 1,125 6.946 2,519 WHILE CHARL SQUARED 55.312 16,833 wild make Advent 163,784 104.704 29.571 3.199 19.744 7.180 874 Union & Services 892 Marri of Survices 19.00 5.427 3,750 1.360 31 (230) 407 wind count Printers 1 22 18 31,413 40,361 193,961 10.136 10.421 wild treet eleven. 1,630,805 2,584,456 All Cities TOTAL Capiciti 876 Manuscring & Rog Star Eq. 1 890 Marris of Manus & Rog Sto Eq. 4 11 . pendeverage sansvered 9.717 13.045 7.007 2.771 1,083 12 600 Control operations 13.745 47.874 \$74 stores and Surveyor. 14,000 50,136 man allocation drec 163,784 35,397 135.001 12.300 28.042 11.364 41.446 38.574 THE STREET, SALE SALES 1 2 2 7 1 200 164 74,436 271,473 288.213 開放 AN COMM 190, 351 Printer all all property in 172 774 Total Commodity 19 19 Account # 0 0 0 0 ō 0 Ø Account 8 0 D 20 21 Account # WAS COLUMN TOWNS All Other 8,781 22 7 catal 3 44 7 12 18. 14. la. 142 (30) CLAS 五里 23 TOTAL OLM *** DEPRECIATION EXPENSE 230 572 HEE 4.136 25.536 8.367 weighted limit B.175 115,576 AMORT OF GAS PLANT 100.207 10,240 B. 125 270 ME OF CHARMEN 7,174 MAKENT OF PROPERTY LOSS Charles WEST OF LIMITED TOTAL INVEST Copperty C produced age date. AMORT OF ACQUIRTIES ADJ 37 -10 Copies by AMORT OF CONVERGION COURS 41 Commission 9 . 0 0 0 0 0 0

CHARGE CONTRACTOR CONTRACTOR
PAGE THE VIEW GLOCO DECEMBER 21 AND

RECOGNISE - E (COST OF SERVICE) ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES (Page 2 of 2)

A	•	c	D	E	COMMERCIAL	G	H		3	•	L
		TOTAL	RESDENTIAL	COMMERCIAL	LARGE VOL	NDUSTRIAL	NI BROOF	MC.	ALUMAN	LVCTS	ALLOCATOR
1	TAXES OTHER THAN INCOME TAXES		***			22.00					
2	Customer	154,303	97,771		2,986	18,437	0,000				resident cust (descri-
3	Capacey	346,867	24,736		23,110	92,118	95,107	100			direct
4	Sweepel	509,170	172,006			110.555	90,793				the state of the s
5	Devenue	122,701	37,112	18,634	5.07	21,652	17,558	_			DOM: OF CHEE, CORP. & CHEM
	Total	2-10	2,116	101 104	31.764	132 207	117348				
									185		
7	RETURN (NO)				A	42.74	140.00				
	Customer	367,241	200 000		7.663	47,314	17,159				SHIELD FOR THE REAL
	Copies	867,149	82 125		56,431	736,866	738,440				cap rei RB / direct
10	Commission	(1,120)	(31	213 193	67.071	(215)	(24E)				committee RE
11	Total	1,383,281	313.202	213,193	67,971	293.907	286.351	100			
12	OCCOME TAXES										
13	Committee	172,013	108.827		3.324	20,522	7,642				coat rei Ritidrecii
14	Countries	418,793	27.328	63,467		103.876	104,883				Crip INI Ribidenci
	Commence	(480)	(15) (28) 33 (56	39.373	(103)	(119)				control (el RB
15	Tops	560,317	0.00	23 136	39.373	134.296	112314				
17	NEVENUE CHEDITED TO COS							9			
18	Curton	(24.387)	(44,632	(28,755)	0	•					Great employees
19	TOTAL COST OF SERVICE							V.			
20	Customer	3.061,400	1,000,733			361,593	131,136				
21	Committee	3,617,000	207,300	624,400	249.500	957,673	937,756				
72	Commoday	\$4,480	36,015	1,736	1,064	6,463	2,002				
29	Selected .	8.792.346	2.784.347	1,156,164		1,300,679	1,57-153				4
DRAM	Section 1	122,701	37,112	14,424	5.072	21,862	17.505				
25	Tops	1 1 1 1 1 1	100		THE STATE OF THE S		170 150				

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SCHEDULE - F (CONT OF SERVICE) DERIVATION OF REVENUE DEFICIENCY

Principle 6

A	9	C	Ð	£	•	G	н	1	J	K
LINE					CC - MERCIAL					
		TUTAL	RESICENTAL	COMMERCIAL	APIGE VOL	NOUSTRIAL	NITERALIPI	HMC	AL LIMAX	LVCTS
1	COST OF SERVICE BY CLASTONIER CLASS									
7	CUSTOMER COSTS	3,081,490	1 800,733	501 968	58,761	361 563	131 136			
3	CAPACITY COSTS	3,617,096	267,383	624,400	249 590	962 823	937 756			
4	COMMODITY COSTS	54,483	35,915	9,726	1,064	5, 463	2,003			
6	REVENUE COSTS	122,791	37,112		5 072	21,052	17,500			
•	TOTAL	6,855,760	2,301 153	1,48 - 808	314 466	1,342 831	1,086,558			
7	top REVENUE AT PRESENT RATES (IN the proposed local year)	0,855,790	1,615,035	1 027,427	242 459	1,724,437	\$24,661			
•	equite GAS SALES REVENUE DEFICIENCY	P	006,110	132,361	72,029	118,084	343,486			
10 11	MAI DEFICIENCY IN OTHER OPERATING MEV MAINS TOTAL BASE REVENUE DEFICIENCY		005,118		72.029	0 116.084	253.86			
12 13 14 15	UNIT COSTS Customer Capacity Continuedly	29 679894 0 272168 0 900-83	0 767025	1 383813	212 801785 1 403006 0 000806	776 951280 0 802204 0 000381	775 95 1293 0 441 499 0 6001 10			

CHEMPENE ITEITES COMPCANTICH PLOTIDA CIVIDON FOR THE YEAR BIOLD DECEMBER 31 1886

SCHEDULE - G (COST OF SERVICE) RATE OF RETURN BY CUSTOMER CLASS Page 1 of 2 PRESENT RATES)

A		c	D	4	COMMERCIAL	G	н	1	J.	
		TOTAL.	Name of the Party	CONNECTAL	LARGE VOL	HOLERIAL	NITE OF THE PERSON NAMED IN	NC .	ALUMAX	FACIS
1	REVENUES (projected leaf year)									
2	Cass Bates (due to growth)	6,855,750			242,459	1,224,437	824,651			1
3	Other Operating Revenue	74,367	44,632		0	0	. 0			
4	Total	6,930,137	1,059,667	1,052,182	242.69	1,224,437	824,861		<u> </u>	
5	EXPENSES									
6	Purchased Ges Cred	0	0	0	. 0	0	0	0		0
7	OSM Expenses	3,446,752			142,120	626,881	452,567	17		
	Ospreceton Expenses	719,268			37,311	146,526	124,787	0.00		
	Amortization Expenses	184,667			7,445	26,622	25,149	100		
10	Taxes Other Then Income-Freed	503,170			26,096	110,556	99,793	7		
11	Taxes Other Then Income-Revenue	122,701	37,112		5,072	21,652	17,556			
12	Total Expees excl Income Taxes	4,974,564	1,866,441	878,214	218,044	934,238	719,872			
13	NOOME TAXES	560,317	135,626	92,327	29,047	122,993	111,621			
14	NET OPERATING MODILE	1,343,281	(372,402	81,841	(4,632)	167 207	6,242)	-		
16	RATE BASE	15,056,160	3,456,860	2,364,682	740,607	3,136,741	2,831 (95		0.7	
16	RATE OF RETURN	900%	-10.77%	34%	-0.63%	5,33%	-0.22%			

CHEMPENE VILITES COMPORATION
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POR NO VENTERO DECEMBER 31 1668

SCHEDULE - G (COST OF SERVICE) RATE OF RETURN BY CUSTOMER CLASS (Page 2 of 2 PROPOSED RATES)

۶ C D E G H 8 LPE COMMERCIA ALUMAX TOTAL RESIDENTIAL COMMERCIAL "ARCF IVE MOUS THAL NERSE ALC: LVCTS REVENUES 6,866,760 1,766,297 1 154,800 314 466 1 342 531 1000,539 2 Ges Sates Other Operating Revenue 74,367 44,632 1 812,929 29,755 3 1 144 545 314,480 1342531 1,568,559 Testal 8 230 137 EXPENSES ٥ 0 Purchased Gas Ctell 3,448,757 1,467,873 627,524 142,120 629,861 452 597 Oll-Ir Expenses 719,280 124,787 Caproculus Espenses Anglaston Espenses 171,337 121.04 37,311 148,628 184.667 16,914 77.497 7,445 26,622 75,149 82.67B 28,006 110,566 99,783 10 Taxas Other Than Imports-Freed 500, 170 122,686 122 701 37,117 1,000,441 10,634 878,714 5 072 218,044 71,692 154,738 17,554 719 872 11 Tomas Citigs Than Income-Revenue 4.574.564 17 **Total Expans and Insome Taxas** 1,053,570 201,340 400,283 360 667 13 PRE TAX NO 98,444 62,670 20,143 123 376 111.491 880,317 (25,205) 14 NOOME TAXES take on are tax not 1,363,281 HET OPERATING INCOME. 64,277) 213,770 67,301 284,814 257,266 15 RATE BASE 16,086,150 3,453,000 2,364,062 740,807 3 136,741 2,831,436 16 17 RATE OF METURN 9.00% 9 08% 9 00% 9.09% 2 95% -1-00m

CHESIMPLANE UTILITIES COMPONATION PLORES DAVISOR FOR THE YEAR ENDED DECRISER 31 1986

COST OF SERVICE SUMMARY PROPOSED RATE DESIGN

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LAGE		C	D	-	COMMERCIA	G	M	1	1	
		TOTAL	CERTIFICATION	COMMENCE	LARGE VO	OCTUBER.	MIEMBLET	MC .	ALLEGAX	LEGIS
1	PRESENT RATES (projected but year)									
2	GAS SALES (the to ground)	6,855,750	1 15 035	1 027 427	242,450	1,724,437	824,651	1	1	
3	OTHER OPERATING REVENUE	74,387	44 632	29,755	0	8	0			
4	TOTAL	6,930,137	1,000,067	1,052,182	242,450	1,724,437	824,851	6.0		
6	RATE OF RETURN	9 06%	-10 77%	3 47%	-060%	5 33%	0 22%			
	MOEX	1 00	1 10	0 36	-0 07	0 50	-0 02			*
7	PROPOSED BATES							V=14		
	GAE BALES	6,855,750	1,706,297	1,154,800	314.400	1,342,531	1,000,530	10.5		
	OTHER OPERATING REVENUE	74,367	44.632							
-	TOTAL	6,830,137	1,812,928	1,164,563	314,488	1.342,831	1,006,530	1		
11	TOTAL REVENUE INCREASE	0	153,262	132,361	72,029	116.09	263,866	1 = 1		
12	PERCENT INCREASE	9 00%	9.239	12 50%	28 71%	9 04%	12 00%	4.1		
13	NATE OF RETURN	9 00%	-1.000	9.00%	9.00%	9 00%	9 00%	1		
14	MOEX	1.00	-0.11	1 60	1 00	1 00	1.00	433		

CHEMPENIE UTILITIES COMPORATION ALCHIDA ONNICIA POR THE VEAR BHOLED DECIMISER 31, 1886

COST OF SERVICE SUI BMARY CALCULATION OF PROPOSED RATES

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LNE	6	С	0	•	COMMERCIAL	G	н	1	4	N.
		TOTAL	RESICENTIAL	COMMERCIAL	LARGE VOL	NOUSTRIAL	NTERRILET	MC	ALLMAX	LVCIS
1	PROPOSED TOTAL TARGET REVENUES	6,830,137	1,812,929	1,164,563	314,486	1,342,531	1,086,530			
2	LESS OTHER OPERATING REVENUE	74,367	44,632	29,755	0	0	0			
3	LESS OUSTOMER CHARGE REVENUES							30		
4	PROPOSED CUSTOMER CHARGES		87 CD		120 00	140 00	\$350 OD	100		
5	TIMES NUMBER OF BILLS	102,483			276	406	189	100		
	EQUALS CUSTOMER CHARGE REVENUES	869,242	645,232	139,740	5,520	18,640	50, 150	0.7		
7	LESS OTHER NON THERM RATE REVENUES									
	EQUALS PER THERM TARGET REVENUES	5,995,508	1,123,000	1,015,008	306,950	1,323,801	1,029,369			
	DIVIDED BY NUMBER OF THERMS	125,995,685	2,350,279	4,520,908	1,780,383	16,530,252	19,087,796			
10	EQUALS PER-THERM RATES(UNINDED)		0 474272	0 224527	0 179511	0 080088	0 053029			
11	PER THERW RATESPINCE OF		0 47622	0 22453	0 17561	U 08009	0 05303			
12	PER THERMIKATE REVENUES PHOED RATED	5,006,537	1,123,000	1,016,079	306,967	1,323,900	1,029,405			
13	HUMBARY: PROPOSED TARRY RATES									
14	CUSTOMER CHARGES		\$7.00	315 00	120 00	140 00	1350 00			
15	ENERGY CHARGES							100		
16	HON-GAS (CENTS PER THERM)		10 47422	10 22453	90 17561	20 06000	10 05393			
17	PURCHASED GAS ADJUSTMENT		0 000	0 000	0 000	0 000	0 000	0.00	0 000	0 000
	TOTAL (NOLUDING POA)		10 47622	10 22463	90 17561	80 08009	10 02303			12 6
10	SUBSIGNARY: PRESENT TARGET RATES									
20	CUSTOMER CHARGES		16 50	\$15.00	120 00	\$40.00	\$350 00	100		
21	ENERGY CHARGES							100		
22	NON-GAS (CENTS PER THERM)		10 43120	80 19532	90 13-465	10 0734	30 04032	Beech	(* 0)	200
23	PURCHASED GAS ADJUSTMENT		0 000	0 000	0 000	0 000	0 000	0.00	0 000	10 0 000
24	TOTAL (INCLUDING PGA)		10 43120	\$0 19532	\$0 13465	10 073-0	\$0.04032		75.60	

CHEMPANE UTLITIES COMPORATION PLORIDA DIMISION FOR THE VENT ENCIRO DECEMBER 31 1666

COST OF SERVICE SUMMARY CALCULATION OF PROPOSED RATES

LINE	•	С	O CONTRACTOR OF THE PARTY OF TH	E COMMERCIAL	COMMERCIAL LARGE VOL	G INCLUSTRIAL	H	enc .	ALLENAK .	LVCTS
,	Proposed rates including gross recepts to:		30 4/422	10 27-63	80 17501	\$0 08000	90 05393			100
2	Overde by content revenue related for multiplier		1 01011	1 01011	1 01011	1 01011	1 (710-1	1		
3	Unadjusted rate		0 46779	0 23032	0 17222	0 07856	0 05292	A		1.231
4	Multiply by PSC law multiplier		1 (0374	1 00376	1 00376	1 00376	1.00376			100
	Proposed rates excluding gross recepts law (1) (2)		10 4000	96 22115	\$0 17267	\$0.07866	N 999 (5			Y,000 1
	Exeting rates		10 40126	90 196JZ	50 13466	\$6 073-4	100000			
7	N managethingrappy from existing non-bar rate		8.70%	13.22%	26 30%	7 30%	31 76%			

⁽¹⁾ All continues this except for special contrasts would also full 2 0% group recepts to: added as a long-facts.

⁽²⁾ Spinosi continue outlomers would be billed according to contract terms. IntC and Alumes raise include all grows receipts terms. The remaining three spectral continue to according to solitoners would continue to be billed as they are currently. The incremental 1% grows receipts tax would be continue to be added to their bills.

Exhibit "3"

Supplemental Cost of Service Data - INC

(Redacted Version)

(5 pages)

COST OF SERVICE STUDY IMC NEW WALES

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED RATE BASE AND RETURN

	Description		Amount
1	Cost of Plant: Gross investment in plant		
2	A/D Provision:		
3	Net Plant		
4	Working Capital		
5	Accumulated Deferred		
6	Income Taxes		\$0
7	Deferred Investment Tax Credit	\$0	
8	Rate Base		
9	Long Term Debt	0.00%	0
10	Common Equity	0.00%	0
11	Total Return @	9.06%	

COST OF SERVICE STUDY IMC NEW WALES

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED INCOME TAXES

	Description	<u>Total</u>
1	Rate Base	
2	Retrim On Rate Base (Line 1 x Rate of Return)	
3	Less: Interest on Debt	
4	Net Income after Taxes	
5	Divide by 1- Tax Rate	0.6_37
6	Taxable Income	
7	Income Taxes @ 37.63%	

COST OF SERVICE STUDY INC NEW WALES

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

COST OF SERVICE

	Cost of Bervice		Amount	
1	Operation & Maintenance		: (100)	
2	Depreciation			
3	Taxes - Other chan Income 1/			
4	Income Taxes			
5	Return 2 9 06% 2/			
6	Total Operating Costs		*	
7	1996 Throughout			
8	Operating cost per therm		•	
9	NOTES.			
10	1/ Taxes Other Then Income - Property and	Revenue Related		
11	1996 Property Tex Expense	\$330,092 \$21,068,321	Revenue Related Taxes	1.911%
12 13	13 month average gross plant		Projected Revenues	
14 15	Average Tax Rate	\$0 0157	Revenue Related Taxes	
16 17	x Gross Plant			
18	Property Tax Expense		Total revenue related taxee	

19 2/ 9 05% Return in the Company's achieved rate of return from 1996 surveillance report as filed with the FPS...

COST OF SERVICE STUDY IMC NEW WALES

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED OLM EXPENSES

	Concription	Amount
1	And the state of t	
2		
3		
5		
6		
8		
9		-
11		
13		
14 15		-
16		
17		
18		-
19		
20		
21		(The state of
22		()
23		
24		
25	Control of the state of the sta	82-3
26		
27		.000

COST OF SERVICE STUDY IMC NEW WALES

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

CAPITALIZATION AS FILED IN 1998 SURVEILLANCE REPORT

	Amount	
1	42.59%	Debt
2	57,41%	Common Equity, DIT, ITC, Customer Deps.
3	100.00%	
4	3.2900%	Weighted Average Cust of Service
5		Rate Base
6		Interest Expense

Exhibit "4"

Supplemental Cost of Service Data - Alumay

(Redacted Version)

(5 pages)

COST OF SERVICE STUDY ALUMAX

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED RATE BASE AND RETURN

	Denorte	don		Amount
1	Cost of Pient: Gross Invi	etment in pla	nt	
2	A/D Provision:			
3	Not Plant			
4	Working Capital			
5 6	Accumulated Deferred Income Taxes			\$0
7	Deferred Investment Tax Cradit			\$0
8	Rate Base			
9	Long Term Debt	•	0.00%	0
10	Common Equity	•	G,00%	0
11	Total Return	•	9.06%	

COST OF SERVICE STUDY ALUMAX

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED INCOME TAXES

	Description	_	Total
1	Rate Base		
2	Return On Rate Base (Line	1 x Rate of Return)	
3	Less: Interest on Debt		
4		Net Income after Taxes	
5	Divide by 1-Tax Rate		0.6237
6		Taxable Income	
7	Income Taxes @ 37.63%		

COST OF SERVICE STUDY

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

COST OF SERVICE

	Cost of Service		Amount	
1	Operation & Maintenance		1	
2	Depreciation			
3	Taxes - Other Than Income 1/			
4	Income Taxes			
5	Return @ 9,05% 2/			
6	Total Operating Costs		4	
7	1996 Throughput		760	
8	Operating cost per therm		:6	
9	NOTES:			
10	1/ Taxes Other Than Income - Prope	erty and Revenue Relat	ed	
11 12 13	1996 Property Tax Expense 13 month average gross plant	\$330,092 \$21,066,321	Revenue Related Taxes Projected Revenues	1.911%
14	Average Tax Rate	\$0.0157	Revenue Related Taxes	
16	x Gross Plant		7.10.000	
18	Property Tax Expense		Total revenue related taxes	4

COST OF SERVICE STUDY

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

ESTIMATED OAM EXPENSES

	Cencription	Amount
1		-
2	A THE RESERVE AND A STATE OF THE RESERVE AND A S	
3		
		-
10		4000
11		
13		
14		920
15	(NOTE OF THE REAL PROPERTY OF THE PARTY OF	9
17		
18	Control of the Contro	
10	Company of the second of the s	
20		
21	Constitution of the second	
22		
23		-
24		
25		4000
20		Color Color
27		
28	TOTAL ESTIMATED O & M EXPENSES	

COST OF SERVICE STUDY ALUMAX

CHESAPEAKE UTILITIES CORPORATION FLORIDA DIVISION

CAPITALIZATION AS FILED IN 1996 SURVEILLANCE REPORT

	Amount	
1 2	42. 80% 57.41%	Debt Common Equity, DIT, ITC, Customer Dept.
3	100.00%	
4	3.2900%	Weighted Average Cost of Service
5		Rate Base
6		Interest Expense

Exhibit "5"

Gas Transportation Agreement with INC - Agrico Company

(Redacted Version)

(14 pages)

GAS TRANSPORTATION AGREEMENT IMC-AGRICO COMPANY AND CHESAPEAKE UTILITIES CORPORATION

WHEREAS, Transporter operates facilities for the distribution of natural gas in the State of Florida, and

WHEREAS, Shipper has requested that Transporter receive certain quantities of gas for Shipper's account from Florida Gas Transmission Company ("FGT"), as provided herein, transport such quantities on Transporter's distribution system and redeliver same to Shipper's facility located at New Wales, Polk County, Florida (hereinafter referred to as the "Redelivery Point" or "Shipper's Facility"), and Transporter agrees to provide such service in accordance with the terms hereof,

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements set forth herein, the Parties agree as follows:

L DEFINITIONS

Unless another definition is expressly stated, the following terms and abbreviations, when used in this Agreement and in all exhibits, recitals, and appendices contained or attached to this Agreement are intended to and will mean as follows:

- 1.1 "Btu" means the amount of heat required to raise the temperature of one pound of water from 59 degrees Fahrenheit to 60 degrees Fahrenheit at a constant pressure of 14.73 p.s.i.a.
- 1.2 "Day" means a period of 24 consecutive hours beginning and ending at 9:00 a.m. Central Clock Time (CCT).
- 1.3 "Gas" means natural gas which is in conformance with the quality specifications of FGT's Tariff.
- 1.4 "Maximum Daily Quantity" or "MDQ" means the largest quantity of gas, expressed in dekatherms, that Transporter is obligated to transport and make available for delivery to a Shipper under any applicable Service Agreement or Service Agreements for Firm Transportation Service on any one day.
- 1.5 "Month" means a period beginning at 9:00 a.m. CCT on the first day of a calendar month and ending at 9:00 a.m. CCT on the first day of the next succeeding calendar month.
- 1.6 "Dekatherm" means 1,000,000 Btu's or ten (10) therms.
- 1.7 "p.s.i.a." means pounds per square inch absolute.
- 1.8 "Receipt Point" means the point at which gas is received by FGT into FGT's system from an upstream service or facility.
- 19 "Therm" means a unit of heat equal to 100,000 Btu's.

II. POINTS OF DELIVERY AND REDELIVERY

2.1 Shipper shall cause FGT to deliver to Transporter at the CFG Pierce Station on FGT's system (hereinafter referred to as "the Delivery Point"), the quantities of gas to be transported by Transporter hereunder. Transporter shall have no responsibility for transportation of Shipper's gas prior to receipt of such gas from FGT at the Delivery Point. Transporter shall redeliver such quantities of gas received from FGT for Shipper's account to Shipper's Facility.

IIL QUANTITIES

3.1 Subject to the terms and conditions of this Agreement, Transporter agrees to receive from FGT daily at the Delivery Point a quantity of gas up to Shipper's Maximum Daily Quantity ("MDQ"), and Transporter agrees to transport and redeliver equivalent quantities to Shipper at the Redelivery Point. Shipper's MDQ under this Agreement shall be as set forth in Exhibit A to this Agreement, which is incorporated herein by reference and made a part hereof.

IV. SCHEDULING AND BALANCING

- 4.1 Shipper or Shipper's designee shall be responsible for nominating and scheduling of quantities to be delivered by FGT at the Delivery Point and redelivered by Transporter to Shipper's Facility. Imbalances between quantities scheduled for delivery by FGT to Transporter and/or redelivery by Transporter to Shipper's Facility, and actually delivered and/or redelivered hereunder, shall be resolved in accordance with the applicable provisions of Transporter's Natural Gas Tariff filed with the Florida Public Service Commission ("FPSC").
- 4.2 Transporter agrees to receive from FGT for Shipper's account at the Delivery Point and redeliver to Shipper's Facility up to 6% of the MDQ listed in Exhibit A per hour, subject to any restrictions imposed by FGT and to the provisions of Articles V and X of this Agreement, and

Control of the second s

Shipper agrees to use commercially reasonable efforts to regulate its takes from Transporter's gas distribution system at a daily rate of flow not to exceed 6% of the MDQ listed in Exhibit A per hour, subject to any additional restrictions imposed by FGT or by Transporter pursuant to Articles V and X of this Agreement.

V. CURTAILMENT

5.1 This Agreement in all respects shall be and remain subject to the applicable provisions of the General Rules and Regulations of Chesapeake's Natural Gas Tariff, as they specifically apply to curtailment, and as approved by the FPSC or its appropriate successor agency or authority, all of which are made a part hereof by this reference.

VL TITLE, CONTROL AND INDEMNIFICATION

6.1 Shipper warrants that it will have good and merchantable title to all gas delivered by FGT to Transporter for Shipper's account at the Delivery Point. Shipper will indemnify fransporter and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorney's fiees, losses, and expenses, due to Shipper's failure to satisfy its obligations under this Agreement, arising out of the adverse claim of any person or persons to said gas for any taxes, licenses, fees or charges which are applicable prior to the time of delivery of said gas to Transporter or after redelivery by Transporter to Shippers. Similarly, Transporter will indemnify Shipper and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorney's fees, losses, and expenses, due to Transporter's failure to satisfy its obligations under this Agreement, arising out of the adverse claim of any person or persons to said gas for any taxes, licenses, fees or charges which are applicable while said gas is in Transporter's possession and control prior to the time of redelivery of said gas to Shipper. In the event any adverse claim, resulting from failure of

Shipper to satisfy its obligations under this Agreement, in respect to said gas is asserted, or Shipper breaches its warranty herein, Transporter shall not be required to perform or, subject to receipt of any necessary regulatory authorization, to continue service hereunder for Shipper until such claim has been finally determined; provided, however, Shipper may receive service if (i) in the case of an adverse claim Shipper furnishes a bond to Transporter, in the amount of such claim and with sureties satisfactory to Transporter, conditioned for the protection of Transporter with respect to such claim; or (ii) in the case of a breach of warranty, Shipper furnishes satisfactory evidence of its title to Transporter.

transported by it upon delivery of such gas by FGT to Transporter for Shipper's account at the Delivery Point and until it shall have been redulivered to Shipper at the Redelivery Point; and Shipper shall be deemed to be in control and possession of such gas prior to such delivery to Transporter and after such redelivery to Shipper. Each party, while deemed to be in control and possession of such gas, shall be responsible for, and shall indemnify and hold the other harmless from, any and all claims, actions, suits, and costs including attorney's fees, arising out of or relating in any way to custody and control of such gas.

VIL RATE

7.1 The transportation rate to be charged for gas received, transported and redelivered hereunder by Transporter shall be as set forth in Exhibit B to this Agreement, which is incorporated herein by reference and made a part hereof. The rates, as set forth in Exhibit B, have been negotiated between the Parties and include only Transporter's Delivery charge per dekatherm of gas transported and redelivered under this Agreement and do not include any charges for transportation service by

FGT or any other upstream pipeline transporter transporting Shipper's gas prior to delivery to Transporter at the Delivery Point. The rates provided in Exhibit B are subject to the continuing jurisdiction of the FPSC and may be adjusted during the term of this Agreement, as provided herein.

7.2 If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should increase any present tax or levy any additional tax, relating to the service provided by Transporter under this Agreement, any such additional tax actually paid by Transporter shall be computed on a cents per dekatherm basis and added to the then effective rate hereunder. If this should happen, then Shipper has the right to cancel this Agreement and not prejudice any other arrangements made by Shipper. If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should decrease or eliminate any tax paid by Transporter relating to the service provided by Transporter under this Agreement, the reduction in such tax shall be computed on a cents per dekatherm basis and subtracted from the then effective rate hereunder.

VIII. TERM

8.1 Subject to all other provisions, conditions, and limitations hereof, this Agreement shall be effective on the first day of the first month after the date that Transporter gives Shipper written notice of the approval of the FPSC, and shall continue in full force and effect through July 31, 2000. Thereafter, the Agreement shall be extended on a year-to-year basis unless terminated by either Party, with at least six (6) months written notice to the other Party prior to the termination date or in accordance with other provisions of this contract or otherwise in accordance with the Parties' rights under applicable law.

8.2 The Parties understand that this contract is subject to the approval of the FPSC. As such, in order to maintain certain competitive conditions, the Parties will file this contract with the FPSC, under the rules governing confidentiality. It is understood and agreed to by the Parties that this contract contains confidential business information which would cause irreparable harm to the Parties if such information is disclosed to the general public. Therefore, in its filing with the FPSC, Transporter will request confidential treatment for, at a minimum, the portions of this contract, including any terms, conditions and rates, which differ from Transporter's approved FPSC tariff.

IX. TRANSPORTER'S TARIFF PROVISIONS

9.1 Subsections 3 through 6, 8 through 11, and 13 through 21 of the General Rules and Regulations of Transporter's Natural Gas Tariff filed with the FPSC, including any amendments thereto during the term of this Agreement, are hereby incorporated into this Agreement and made a part hereof for all purposes. In the event of any conflict between said provisions of Transporter's FPSC Tariff and specific provisions of this Agreement, the latter shall prevail, in the absence of an FPSC order to the contrary.

X. MISCELLANEOUS PROVISIONS

10.1 <u>Notices and other communications</u>. Any notice, request, demand, statement or payment provided for in this Agreement, unless otherwise specified, shall be sent to the Parties hereto at the following addresses:

Shipper:

IMC-Agrico Company 2345 Waukegan Road

Suite E-200

Bannockburn, Illinois 60015-5516

Attention: Sonny Davis

Facsimile: (847) 607-3426

Transporter: Central Florida Gas Company

1015 Sixth Street, N. W. Winter Haven, FL 33881

Attention: Florida Regional Manager

Facalmile: (941) 294-3895

Headings. All article headings, section headings and subheadings in this Agreement are inserted only for the convenience of the Parties in identification of the provisions hereof and shall not affect any construction or interpretation of this Agreement.

Entire Agreement. This Agreement, including the exhibits attached hereto, sets forth the full and complete understanding of the parties as of the date of its execution by both parties, and it supersedes any and all prior negotiations, agreements and understandings with respect to the subject matter hereof. No party shall be bound by any other obligations, conditions of representations with respect to the subject matter of this Agreement.

10.4 Amendments. Neither this Agreement nor any of the terms hereof may be terminated. amended, supplemented, waived or modified except by an instrument in writing signed by the Party against which enforcement of the termination, amendment, supplement, waiver or modification shall be sou; it. A change in (a) the place to which notices pursuant to this Agreement must be sent or (b) the individual designated as the Contact Person pursuant to section 10.1 shall not be deemed nor

require an amendment of this Agreement provided such change is communicated in accordance with section 10.1 of this Agreement. Further, the Parties expressly acknowledge that the limitations on amendments to this Agreement set forth in this section shall not apply to or otherwise limit the effectiveness of amendments which are necessary to comply with the requirements of the FPSC or its successor agency or authority.

- 10.5 <u>Severability</u>. If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided however that if such severability materially changes the economic benefits of this Agreement to either party, the parties shall negotiate an equitable adjustment in the provisions of this Agreement in good faith.
- 10.6 <u>Waiver</u>. No waiver of any of the provisions of the Agreement shall be deemed to be, nor shall it constitute, a waiver of any other provision whether similar or not. No single waive shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- 10.7 Independent Parties. Transporter and the Shipper shall perform hereunder as independent parties and neither Transporter or the Shipper is in any way or for any purpose, by virtue of this Agreement or otherwise, a partner, joint venturer, agent, employer or employee of the other. Nothing in this Agreement shall be for the benefit of any third person for any purpose, including, without limitation, the establishing of any type of duty, standard of care or liability with respect to any third person.
- 10.8 <u>Assignment and Transfer</u>. No assignment of this Agreement by either party may be made without the prior written approval of the other party (which approval shall not be unreasonably

withheld) and unless the assigning or transferring party's assignee or transferre shall expressly assume, in writing, the duties and obligations under this Agreement of the assigning or transferring party, and upon such assignment or transfer and assumption of the duties and obligations, the assigning or transferring party shall furnish or cause to be furnished to the other party a true and correct copy of such assignment or transfer and assumption of duties and obligations.

Governmental Authorizations: Compliance with Law. This Agreement shall be subject to all valid applicable state, local and federal laws, orders, directives, rules and regulations of any movernmental body, agency or official having jurisdiction over this Agreement and the transportation of gas hereunder. Transporter and Shipper shall comply at all times with all applicable federal, state. ms. .cipal, and other laws, ordinances and regulations. Shipper shall indemnify Transporter for any claims, demands, actions, lisbilities, judaments, losses, damages, expenses, costs, penalties, and fines arising from the Shipper's failure to comply as required under this Agreement. Transp ter shall indemnify Shipper for any claims, demands, actions, liabilities, judgments, losses, damages, expenses, costs, penalties, and fines arising from the Transporter's failure to comply as required under this Agreement. Transporter and/or Shipper will furnish any information or execute any documents required by any duly constituted federal or state regulatory authority in connection with the performance of this Agreement. Each party shall proceed with diligence to file any necessary applications with any governmental authorities for any authorizations necessary to carry out is obligations under this Agreement. In the event this Agreement or any provisions herein shall be found contrary to or in conflict with any such law, order, directive, rule or regulation, the latter shall be deemed to control, but nothing in this Agreement shall prevent either party from contesting the validity of any such law, order, directive, rule, or regulation, nor shall anything in this Agreement be

governmental agency other than the FPSC over this Agreement or any part thereof. In the event of such contestation, and unless otherwise prohibited from doing so under this Section 10.9, Transporter shall continue to transport and Shipper shall continue to take gas pursuant to the terms of this Agreement. In the event any law, order, directive, rule, or regulation shall prevent either party from performing hereunder, then neither party shall have any obligation to the other during the period that performance is precluded.

- 10.10 Law Governing Agreement: Venue. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida. The venue for any action, at law or in equity, commenced by either party against the other and arising out of or in connection with this Agreement shall be in a court of the State of Florida having jurisdiction.
- 10.11 Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original instrument as against any party who has signed it.
- 10.12 <u>Specifically Superseded Agreements</u>. This Agreement, on the Effective Date, supersedes and cancels the previous gas transportation agreement between the parties dated: January 18, 1995.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first

stated above.	
WITNESS:	SHIPPER: DMC-Agrico Company, a
Name	Delaware general partnership
	By: IMC-Agrico MP, Inc., a Delaware corporation as its managing general partner. By:
	Name: Hermann H. Wittje
	Title: VP Strgc Sourcing & Ry-Product Mktg.
WITNESS:	TRANSPORTER:
Thomas & Surpo	CHESAPEAKE UTILITIES CORPORATION, a Delaware Corporation
0	By: Steple C. Thompson
	Name: Stephen C. Thompson
	Title: Vice Pracident

EXHIBIT A

TO

GAS TRANSPORTATION AGREEMENT BETWEEN

CHESAPEAKE UTILITIES CORPORATION AND IMC-AGRICO COMPANY

Maximum Daily Quantities

The Maximum Daily Quantities (MDQ), in dekatherms, available for shipper are as follows:

JANUARY
FEBRUARY
MARCH
APRIL
MAY
JUNE
JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER

TRANSPORTER:

Chesapeake Utilities Corporation,

a Delaware Corporation

By: Stylet. Hoge

Name: Stephen C. Thompson

Title Vice President

Date: November 18, 1997

SHIPPER

IMC-Agrico Company, a Delaware general partnership

By: IMC-Agrico MP, Inc.

A Delaware corporation as

its managing general partner.

By:

Name: Hermann H. Wittie

Title: VP Strac Sourcing & By-Product Mktg.

Date: November 14, 1997

EXHIBIT B TO GAS TRANSPORTATION AGREEMENT BETWEEN CHESAPEAKE UTILITIES CORPORATION AND IMC-AGRICO COMPANY

Transportation Rates

The rates to be charged for each dekatherm of gas delivered to Shipper's facility under this Agreement shall be as follows:

Rate per Dekatherm

November 14, 1997

Monthly Quantity

All Dekatherms

TRANSPORTER: SHIPPER Chesapeake Utilities Corporation, IMC-Agrico Company, a a Delaware Corporation Delaware general partnership By: IMC-Agrico MP, Inc., a Delaware corporation as Name: Stephen C. Thompson its managing general partner. Title: Vice President By: Date: November 18, 1997 Name: Hermann H. Wittie Title: VP Strac. Sourcing & Ry-Product Mktg.

Date:

Enchibit "6"

Gas Transportation Agreement with Alumax Extrusions, Inc.

(Redacted Version)

(15 pages)

GAS TRANSPORTATION AGREEMENT

ALUMAX EXTRUSIONS, INC AND CHESAPEAKE UTILITIES CORPORATION

THIS AGREEMENT, entered into this 19 day of November 1997, between CHESAPEAKE UTILITIES CORPORATION, a Delaware corporation, doing business in Florida as Central Florida Gas Company ("Company"), and ALUMAX EXTRUSIONS, INC, a Personal Company and Shipper shall be referred to collectively as the "Parties."

Ser

WITNESSETH:

WHEREAS, Company operates facilities for the distribution of natural gas in the State of Florida; and

WHEREAS, Shipper has requested that Company receive certain quantities of gas for Shipper's account from Florida Gas Transmission Company ("FGT") or any other interstate pipeline, as provided herein, transport such quantities on Company's distribution system and redeliver same to Shipper's facility located at Plant City Airport Industrial Park, Hillsborough County, Florida (hereinafter referred to as the "Redelivery Point" or "Shipper's Facility"), and Company agrees to provide such service in accordance with the terms hereof;

NOW, THEREPORE, in consideration of the premises and mutual covenants and agreements set forth herein, the Parties agree as follows.

L DEFINITIONS

Unless another definition is expressly stated, the following terms and abbreviations, when used in this Agreement and in all exhibits, recitals, and appendices contained or attached to this Agreement are intended to and will mean as follows:

- 1 1 "Btu" means the amount of heat required to raise the temperature of one pound of water from 59 degrees Fahrenheit to 60 degrees Fahrenheit at a constant pressure of 14.73 p.s.i.a.
- 1.2 "Day" means a period of 24 consecutive hours beginning and ending at 9:00 a.m. Central Clock Time (CCT).
- 1.3 "Gas" means natural gas which is in conformance with the quality specifications of FGT's

 Taria
- 1.4 "Maximum Daily Quantity" or "MDQ" means the largest quantity of Gas, expressed in dekatherms, that Company is obligated to transport and make available for delivery to Shipper under this Agreement on any one day.
- 1.5 "Month" means a period beginning at 9:00 a.m. CCT on the first day of a calendar month and ending at 9:00 a.m. CCT on the first day of the next succeeding calendar month.
- 1.6 "Deketherm" means 1,000,000 Bitus or sen (10) thereas.
- 1.7 "p.s.i.a." means pounds per square inch absolute.

₹.

- 1.8 "Receipt Point" means the point at which Gas is received by FGT into FGT's system from an upstream service or facility.
- 1.9 "Therm" means a unit of heat equal to 100,000 Btus.

II. POINTS OF DELIVERY AND REDELIVERY

2.1 Shipper shall cause FGT to deliver to Company at the Plant City delivery point on FGT's system (hereinafter referred to as "the Delivery Point"), the quantities of Gas to be transported by Company hereunder. Company shall have no responsibility for transportation of Shipper's Gas prior to receipt of such Gas from FGT at the Delivery Point. Company shall, on a firm basis, redeliver pursuant to the terms hereof such quantities of Gas received from FGT for Shipper's account to Shipper's Facility.

III. QUANTITIES

3.1 Subject to the terms and conditions of this Agreement, Company agrees to receive from FGT daily at the Delivery Point a quantity of Gas up to Shipper's Maximum Daily Quantity ("MDQ"), and Company agrees to transport and redeliver equivalent quantities to Shipper at the Redelivery Point. Shipper's MDQ under this Agreement shall be as set forth in Exhibit A to this Agreement, which is incorporated herein by reference and made a part hereof.

IV. SCHEDULING AND BALANCING

- 4.1 Shipper shall be responsible for nominating and scheduling of quantities to be delivered by FGT at the Delivery Point and redelivered by Company to Shipper's Facility.

 Imbalances between quantities scheduled for delivery by FGT to Company and/or redelivery by Company to Shipper's Facility, and actually delivered and/or redelivered hereunder, shall be resolved in accordance with the applicable provisions of Company's Natural Gas Tariff filed with the Florida Public Service Commission ("FPSC").
- 4.2 The Parties hereto recognize the desirability of maintaining a uniform rate of flow of Gas to Shipper's Facility over each 24-hour period and each day throughout each month.

Therefore, Company agrees to receive from FGT for Shipper's account at the Delivery Point and redeliver to Shipper's Facility up to 5% of the MDQ listed in Exhibit A per hour, subject to any restrictions imposed by FGT and to the provisions of Articles V and X of this Agreement, and Shipper agrees to use commercially reasonable efforts to regulate its takes from Company's gas distribution system at a daily rate of flow not to exceed 5% of the MDQ listed in Exhibit A per hour, subject to any additional restrictions imposed by FGT or by Company pursuant to Articles V and X of this Agreement.

V. CURTAILMENT

- 5.1 This Agreement in all respects shall be and remain subject to the applicable provisions of the General Rules and Regulations of Company's Natural Gas Tariff, as they specifically apply to curtailment, and as approved by the FPSC or its appropriate successor agency or authority, all of which are made a part hereof by this reference.
- 5.2 In the event Company issues a curtailment order due to conditions on Company's system, the Company agrees to keep Shipper whole with respect to the actual cost incurred for the quantity of Gas scheduled to the Plant City facility and all FGT transportation charges related to said quantity of Gas scheduled. Shipper agrees to make all reasonable efforts to minimize the quantity of Gas scheduled during a curtailment event.

VI. TITLE, CONTROL AND INDEMNIFICATION

6.1 Shipper warrants that it will have good and merchantable title to all Gas delivered by FGT to Company for Shipper's account at the Delivery Point. Shipper will indemnify Company and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorney's fees, losses, and expenses arising out of the adverse claim of any person or

persons to said Gas for any taxes, licenses, fees or charges which are applicable prior to the time of delivery of said Gas to Company or after redelivery by Company to Shipper Similarly, Company will indemnify Shipper and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorney's fees, losses, and expenses arising out of the adverse claim of any person or persons to said Gas for any taxes, licenses, fees or charges which are applicable while said Gas is in Company's possession and control prior to the time of redelivery of said Gas to Shipper. In the event any adverse claim in respect to said Gas is asserted, or Shipper breaches its warranty herein, Company shall not be required to perform or, subject to receipt of any necessary regulatory authorization, to continue service hereunder for Shipper until such claim has been finally determined; provided, however, Shipper may receive service if (i) in the lase of an adverse claim, Shipper furnishes a bond to Company, in the amount of such claim and with sureties satisfactory to Company, conditioned for the protection of Company with respect to such claim; or (ii) in the case of a breach of warranty, Snipper furnishes satisfactory evidence of its title to Company.

transported by it upon delivery of such Gas by FGT to Company for Shipper's account at the Delivery Point and until it shall have been redelivered to Shipper at the Redelivery Point; and Shipper shall be deemed to be in control and possession of such Gas prior to such delivery to Company and after such redelivery to Shipper. Each party, white deemed to be in control and possession of such Gas, shall be responsible for, and shall indemnify and hold the other harmless from, any and all claims, actions, suits, and costs including attorncy's fees, arising out of or relating in any way to custody and control of such Gas.

6.3 While on or traveling to and from Shipper's Plant City property, the Company assumes the risk of, and shall indemnify and save harmless the Shipper, its officers, directors, and employees against all claims and actions, losses, costs, fines, penalties and damages to property or to the environment and/or injury, to persons (including death) arising out of, resulting from, or based upon the negligent acts or omissions of the Company or anyone acting under its direction or control or in its behalf and all expenses (including legal and investigation feet) incidental thereto.

VIL BATE

- 7.1 The transportation rate to be charged for Gas received, transported and redelivered hereunder by Company shall be as set forth in Exhibit B to this Agreement, which is incorporated herein by reference and made a part hereof. The rates, as set forth in Exhibit B, have been negotiated between the Parties and include only Company's Delivery charge per dekatherm of Gas transported and redelivered under this Agreement and do not include any charges for transportation service by FGT or any other upstream pipeline transporter transporting Shipper's Gas prior to delivery to Company at the Delivery Point. The rates provided in Exhibit B are subject to the continuing jurisdiction of the FPSC and may be adjusted during the term of this Agreement, but only as may be required pursuant to Section 7.2 hereof or by an Order of the FPSC. The Company agrees that it will not file with the FPSC to increase the rates in Exhibit B during the term of this contract.
- 7 2 If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should increase any present tax or levy any additional tax, relating to the service provided by Company under this Agreement, any such

additional tax actually paid by Company shall be computed on a cents per dekatherm basis and added to the rates set forth in Exhibit B hereof, provided that any such additional tax or levy may legally be passed on to Shipper—If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should decrease or eliminate any tax paid by Company relating to the service provided by Company under this Agreement, the reduction in such tax shall be computed on a cents per dekatherm basis and subtracted from the then effective rate hereunder.

VIII. TERM

- 8.1 Subject to all other provisions, conditions, and limitations hereof, this Agreement shall be effective on the first day of the first month after the date that Company gives Shipper written notice of the approval of the FPSC provided however, that Shipper has received a copy of such approval order and such order is acceptable in form and substance to both Parties, and shall continue in full force and effect through December 31, 2002. Thereafter, the Agreement shall be extended on a year-to-year basis unless term insted by either Party, with at least six (6) months written notice to the other Party prior to the termination the. In the event that any order received from the FPSC has materially changed the content of this Agreement and is not acceptable to either Party, such Party shall have the right to either terminate this Agreement or renegotiste the terms hereof.
- 8.2 The Parties understand that this contract is subject to the approval of the FPSC.

 As such, in order to maintain certain competitive conditions, the Parties will file this contract with the FPSC, under the rules governing confidentiality—it is understood and agreed to by the Parties that this contract contains confidential business information which would cause irreparable harm

to the Parties if such information is disclosed to the general public. Therefore, in its filing with the FPSC, Company will request confidential treatment for, at a minimum, the portions of this contract, including any terms, conditions and rates, which differ from Company's approved FPSC tariff.

DC. COMPANY'S TARIFF PROVISIONS

9.1 Subsections 3 through 6, 8 through 11, and 13 through 21 of the General Rules and Regulations of Company's Natural Gas Tariff filed with the FPSC, including any amendments thereto during the term of this Agreement, are hereby incorporated into this Agreement and made a part hereof for all purposes. In the event of any conflict between said provisions of Company's FPSC Tariff and specific provisions of this Agreement, the latter shall prevail, in the absence of an FPSC order to the contrary.

X. MISCELLANEOUS PROVISIONS

10.1 <u>Notices and other communications</u>. Any notice, request, demand, statement or payment provided for in this Agreement, unless otherwise specified, shall be sent to the Parties hereto at the following addresses:

Shipper:

Aluma. Extrusions, Inc. 1650 Alumax Circle

Plant City, FL 33567

Attention. Controller

Facsimile: (813) 719-3438

Co. _any:

Central Florida Gas Company 1015 Sixth Street, N.W.

Winter Haven, FL 33881

Attention: Florida Regional Manager

Facsimile: (941) 294-3895

- Headings. All article headings, section headings and subheadings in this Agreement are inserted only for the convenience of the Parties in identification of the provisions hereof and shall not affect any construction or interpretation of this Agreement.
- Entire Agreement. This Agreement, including the exhibits attached hereto, sets 10.3 forth the full and complete understanding of the parties as of the date of its execution by both parties, and it supersedes any and all prior negotiations, agreements and understandings with respect to the subject matter hereof. No party shall be bound by any other obligations, conditions or representations with respect to the subject matter of this Agreement.
- 10.4 Amendments. Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing signed by the Party against which enforcement of the termination, amendment, supplement, waiver or modification shall be sought. A change in (a) the piace to which notices pursuant to this Agreement must be sent or (b) the individual designated as the Contact Person pursuant to section 10.1 shall not be deemed nor require an amendment of this Agreement provided such change is communicated in accordance with section 10.1 of this Agreement. Further, the Parties expressly acknowledge that the limitations on amendments to this Agreement set forth in this section shall not apply to or otherwise limit the effectiveness of amendments which are necessary to comply with the requirements of, or are otherwise approved by FPSC or its successor agency

or authority.

- 10.5 Severability. If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided however that if such severability materially changes the economic benefits of this Agreement to either party, the parties shall negotiate an equitable adjustment in the provisions of this Agreement in good faith.
- 10.6 <u>Waiver</u>. No waiver of any of the provisions of the Agreement shall be deemed to be, nor shall it constitute, a waiver of any other provision whether similar or not. No single waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- 10.7 Legal Fees. In the event of litigation between the parties hereto arising out of or in connection with this Agreement, then the reasonable automeys' fees and costs of the party prevailing in such litigation shall be paid by the other party.
- independent parties and neither Company or the Shipper is in any way or for any purpose, by virtue of this Agreement or otherwise, a partner, joint venturer, agent, employer or employee of the other. Nothing in this Agreement shall be for the benefit of any third person for any purpose, including, without limitation, the establishing of any type of duty, standard of care or liability with respect to any third person.
- 10.9 Assignment and Transfer. No assignment of this Agreement by either party
 may be made without the prior written approval of the other party (which approval shall not be
 unreasonably withheld) and unless the assigning or transferring party's assignee or transferree shall

expressly assume, in writing, the duties and obligations under this Agreement of the assigning or transferring party, and upon such assignment or transfer and assumption of the duties and obligations, the assigning or transferring party shall furnish or cause to be furnished to the other party a true and correct copy of such assignment or transfer and assumption of duties and obligations.

10.10 Governmental Authorizations; Compliance with Law. This Agreement shall be subject to all valid applicable state, local and federal laws, orders, directives, rules and regulations of any governmental body, agency or official having jurisdiction over this Agreement and the transportation of Gas hereunder. Company and Shipper shall comply at all times with all applicable federal, state, municipal, and other laws, ordinances and regulations. Company and/or Shipper will turnish any information or execute any documents required by any duly constituted federal or state regulatory authority in connection with the performance of this Agreement. Each party shall proceed with diligence to file any necessary applications with any governmental authorities for any authorizations necessary to carry out its obligations under this Agreement. In the event this Agreement or any provisions herein shall be found contrary to or in conflict with any such law, order, directive, rule or regulation, the latter shall be deemed to control, but nothing in this Agreement shall prevent either party from contesting the validity of any such law, order, directive, rule, or regulation, nor shall anything in this Agreement be construed to require either party to waive its respective rights to assert the lack of jurisdiction of any governmental agency other than the FPSC over this Agreement or any part thereof. In the event of such contestation, and unless otherwise prohibited from doing so under this Section 10.10, Company shall continue to transport and Shipper shall continue to take Gas pursuant to the terms of this Agreement. In

the event any law, order, directive, rule, or regulation shall prevent either party from performing hereunder, then neither party shall have any obligation to the other during the period that performance is precluded.

- 10.11 Law Governing Agreement: Venue. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida. The venue for any action, at law or in equity, commenced by either party against the other and arising out of or in connection with this Agreement shall be in a court of the State of Florida having jurisdiction.
- 10.12 Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original instrument as against any party who has signed it.
- 10.13 Specifically Superseded Agreements. This Agreement, on the Effective Date, supersedes and cancels the previous gas transportation agreement between the parties dated:

 January 30, 1995.

Operations

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first stated above.

SHIPPER:

WITNESS:

Nay a. Ausall.	ALLMAX EXTRUSIONS, INC. A Delewise Corporation By:
WITNESS:	COMPANY:
Name 4 Bour	CHESAPEAKE UTILITIES CORPORATION, a Delaware Corporation
	By: Starte C. Thomas
	Name: Stephen C. Thompson
	Title: Vice Prasident

EXHIBIT A TO GAS TRANSPORTATION AGREEMENT BETWEEN CHESAPEAKE UTILITIES CORPORATION AND ALUMAX EXTRUSIONS, INC.

Maximum Daily Quantities

MONTH

JANUARY

The Maximum Daily Quantities (MDQ), in dekatherms, available for shipper are as follows:

MADOR			1
MARCH		8 1	
MAY		0.00	
JUNE			
JULY		(0.00)	
AUGUST			
SEPTEMBER		1	
OCTOBER			
NOVEMBER		(0	8
DECEMBER		(A)	
1			
	Shipper:		
Corporation	Alumay Bytanainas Inc		

MDO

Chesapeake Utilities Corporation

By: Market Strusions, Inc.

By: Wice President & Title: Vice President & TitleChief Operating Officer-U.S. Operation

Date: 11/20/27 Date: November 19, 1997

TO GAS TRANSPORTATION AGREEMENT BETWEEN CHESAPEAKE UTILITIES CORPORATION AND ALUMAX EXTRUSIONS, INC.

Transportation Rates

The rates to be charged for each deleatherm of Gas transported under this Agreement shall be as follows:

Rate per Dekatherm



In addition to the charge stated above per dekatherm, there will be a Monthly Meter Charge of \$40 per meter located at the Plant City facility per month.

Company:	Stupper:
Chesapeake Utilities Corporation	Alumax Extrusions, Inc.
By: Styles. Thon	By: will I
Title: Via President	Vice President & Title Chief Operating Officer-U.S. Operations
Date	Date: November 19, 1997