

VOTE SHEET

May 20, 2008

Docket No. 070322-GU – 2007 depreciation study by Florida Division of Chesapeake Utilities Corporation.

Issue 1: Should the currently prescribed depreciation rates of the Florida Division of Chesapeake Utilities Corporation be changed?

Recommendation: Yes. A comprehensive review of Chesapeake’s planning and activity since the last depreciation filing indicates a need for a revision in the currently prescribed depreciation rates.

APPROVED

Issue 2: What are the appropriate remaining lives, net salvage, and resultant depreciation rates for Chesapeake?

Recommendation: Staff’s recommended remaining lives, net salvage values, reserves, and resultant depreciation rates are shown on Attachment A of staff’s memorandum dated May 8, 2008. The rates, based upon actual investments as of December 31, 2007, would result in a decrease in the annual depreciation expense of approximately \$14,903 as summarized on Attachment B of staff’s memorandum dated May 8, 2008.

APPROVED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS’ SIGNATURES

MAJORITY

DISSENTING

[Handwritten signatures of majority commissioners]

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

04174 MAY 20 8

FPSC-COMMISSION CLERK

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Issue 3: Should the Commission make any corrections to the reserve allocations between accounts?

Recommendation: Yes. Staff recommends the reserve allocations as shown in staff's memorandum dated May 8, 2008. These allocations bring each account more in line with its theoretically correct reserve level.

APPROVED

Issue 4: Should the current amortization of investment tax credits (ITC) and flowback of excess deferred income taxes be revised to reflect the approved depreciation rates and recovery schedules?

Recommendation: Yes. The current amortization of investment tax credits (ITC) and the flowback of excess deferred income taxes (EDIT) should be revised to match the actual recovery periods for the related property. On an annual basis, Chesapeake should include detailed calculations of the revised ITC amortization and the flowback of EDIT in its December earnings surveillance reports beginning with the annual period ending December 31, 2008.

APPROVED

Issue 5: What should be the implementation date for new depreciation rates?

Recommendation: Staff recommends approval of the company's proposed January 1, 2008, date of implementation for the new depreciation rates.

APPROVED

Issue 6: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

APPROVED