

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition for approval of modifications to customer deposit tariff sheets, by Florida Public Utilities Company, Florida Public Utilities Company - Fort Meade, Florida Public Utilities Company - Indiantown Division, and Florida Division of Chesapeake Utilities Corporation.

DOCKET NO. 20170110-GU
ORDER NO. PSC-2017-0289-TRF-GU
ISSUED: July 24, 2017

The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman
ART GRAHAM
RONALD A. BRISÉ
DONALD J. POLMANN

ORDER MODIFYING FLORIDA PUBLIC UTILITIES COMPANY'S TARIFFS

BY THE COMMISSION:

BACKGROUND

On May 9, 2017, Florida Public Utilities Company (FPUC electric and gas divisions), Florida Public Utilities Company-Fort Meade, Florida Public Utilities Company-Indiantown Division, and the Florida Division of Chesapeake Utilities Corporation (Joint Petitioners or Companies) filed a joint petition requesting Commission approval of modifications to tariff sheets regarding customer deposits. On June 23, 2017, the joint petitioners filed an additional tariff revision to the FPUC electric tariff. The Joint Petitioners operate under the Chesapeake Utilities Corporation, a Delaware-based energy company.

During the 2015 session, the Florida Legislature enacted House Bill 7109 which was incorporated into Chapter 2015-129, Laws of Florida. Among other things, the legislation created Section 366.05(1)(b) and (c), Florida Statutes (F.S.). Subsection (1)(b) addresses billing periods and Subsection (1)(c) addresses customer deposits. These laws became effective on July 1, 2015. We adopted amendments to Rules 25-6.097 (Customer Deposits) and 25-6.100 (Customer Billings) for the electric utilities; and amendments to Rules 25-7.083 (Customer Deposits) and 25-7.085 (Customer Billing) for the gas utilities, Florida Administrative Code (F.A.C.), to implement the laws enacted in July 2015.¹

The Joint Petitioners are requesting tariff modifications at this time to ensure that the Companies' tariff language continues to conform to the applicable statutes and Commission rules. The Companies' waived the 60-day suspension date until July 13, 2017. We have jurisdiction in this matter pursuant to Sections 366.03, 366.05, and 366.06, F.S.

¹ Order No. PSC-16-0024-FOF-PU, issued January 12, 2016, in Docket No. 150241-PU, In re: Proposed amendments to Rules 25-6.093, Information to Customers; 25-6.097, Customer Deposits; 25-6.100, Customer Billings; 25-7.079, Information to Customers; 25-7.083, Customer Deposits; and 25-7.085, Customer Billing, F.A.C.

DECISION

The Joint Petitioners' proposed tariff modifications are designed to conform their tariffs to applicable statutes and Commission rules. At this time, the FPUC gas division, FPUC-Fort Meade, FPUC-Indiantown, and the Florida Division of Chesapeake Utilities Corporation do not have tiered rate schedules; therefore, these gas companies are not proposing any changes to their tariffs as a result of changes to Section 366.05(1)(b), F.S., and Rule 25-7.085, F.A.C. The Joint Petitioners' proposed tariff modifications are addressed below.

Customer Deposits

Section 366.05(1)(c), F.S., provides that for an existing account, the total deposit may not exceed two months of average actual charges. For a new service request, the total deposit may not exceed two months of projected charges. Once a new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying the additional amount that may be billed by the utility or the utility returning any overcharge.

We amended Rules 25-6.097(1), and 25-7.083, F.A.C., to state that the utility's methodology for determining customer deposits for existing and new accounts shall conform to Section 366.05(1)(c), F.S.² The prior rule language already required that the total amount of a deposit not exceed twice the average monthly bill. The Joint Petitioners' proposed amendments to the electric and gas tariffs conform to the new statutory language regarding the recalculation of the deposit after 12-months.

Billing Period for FPUC Electric Tariff

Section 366.05(1)(b), F.S., provides that if the Commission authorizes a public utility to charge tiered rates based upon levels of usage and to vary its regular billing period, the utility may not charge a customer a higher rate because of an increase in usage attributable to an extension of the billing period; however, the regular meter reading date may not be advanced or postponed more than five days for routine operating reasons without prorating the billing for the period. We amended Rule 25-6.100, F.A.C., to implement the statutory changes.³ The prior rule specified that the regular meter reading date may be advanced or postponed not more than 5 days without a proration of the billing for the period, but did not address the application of tiered rates to extended billing periods. Tiered rates, such as FPUC's residential energy charges, apply a higher energy charge to usage above 1,000 kilowatt-hours.

FPUC-Electric proposed new language to Tariff Sheet No. 28 to reflect the Section 366.05(1)(b), F.S., statutory requirements and to include the Company's current billing practices in its tariff. The revised tariff sheet addresses both the proration of charges when billing periods are varied by more than five days, as well as the prohibition against charging higher tiered rates if the extension of a billing period of more than five days causes a customer's energy consumption to exceed the Company's tier threshold of 1,000 kilowatt-hours.

² Id.

³ Id.

Upon review of the applicable statutes, Commission rules, and proposed tariffs filed by FPUC (electric and gas divisions), FPUC-Fort Meade, FPUC-Indiantown Division, and the Florida Division of Chesapeake Utilities Corporation, we find that the tariff sheet revisions conform to the applicable statutes and Commission rules. Therefore, we approve the requested modifications to tariff sheets, as reflected in Attachment A, effective July 13, 2017.

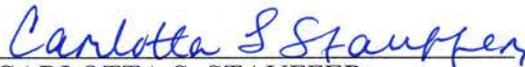
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Florida Public Utilities Company's modifications to its tariffs as reflected in Attachment A, are hereby approved effective July 13, 2017. It is further

ORDERED that if a protest is filed within 21 days of issuance of the Order, the tariff shall remain in effect with any charges held subject to refund pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 24th day of July, 2017.



CARLOTTA S. STAUFFER
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

SBR

NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on August 14, 2017.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

FPUC-Electric

First Revised Sheet No. 12

First Revised Sheet No. 14

First Revised Sheet No. 28

FPUC-Natural Gas

Seventh Revised Sheet No. 13

First Revised Sheet No. 13.1

Florida Division of Chesapeake Utilities Corporation

Second Revised Sheet No. 12

Fifth Revised Sheet No. 32

Third Revised Sheet No. 33

Florida Public Utilities Company-Indiantown Division

Third Revised Sheet No. 47

Third Revised Sheet No. 48

First Revised Sheet No. 49

Florida Public Utilities Company-Fort Meade

Second Revised Sheet No. 11

First Revised Sheet No. 14

Florida Public Utilities Company
 F.P.S.C. Electric Tariff
 Third Revised Volume No. I

~~First Revised Sheet No. 12
 Cancels Original Sheet No. 12~~

RULES AND REGULATIONS (Continued)

3. Election of Rate Schedules (Continued)

responsible to notify Customers of the most favorable rates schedule and will not refund the difference in charge under different rate schedules to the same class of service.

Upon notification of any material changes in Customer's installation or load conditions, Company will assist in determining if a change in rates is desirable, but unless required by substantial changes in the Customer's installation, not more than (1) such change in rates will be made within any twelve (12) month period.

Company will require a written contract with special guarantee from Applicants whose characteristics of load would require excessive investment in facilities of whose requirements for service are of a special nature.

4. Customer Deposits

A. Deposit Required

Unless credit is otherwise established in accordance with Section 4B, the customer shall make a deposit. ~~The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes, as follows:~~

~~(1) The amount of the initial deposit, if required may not exceed an amount necessary to cover charges for service for two (2) month's average billings to be calculated either:~~

- ~~▲ previous billings at the service address;~~
- ~~▲ average billings for the class of Customer (residential or non-residential);~~
- ~~▲ average billings based on the type of equipment/appliances in service or to be put into service.~~

In the absence of historical information, the deposit amount shall be determined by the following schedule:

<u>Rate Classification:</u>	<u>Initial Deposit Amount</u>
Residential	\$ 175.00
General Service Non-Demand	\$ 370.00
General Service Demand	\$ 5,325.00
General Service Large-Demand	\$ 12,000.00
Outdoor Lighting Service	\$ 215.00
Outdoor Lighting Service - HP Sodium/Metal Halide	\$ 205.00
Street Lighting - Mercury Vapor	\$ 220.00
Street Lighting - HP Sodium Vapor	\$ 220.00

Issued by: Jeffrey M. Householder, President

Effective: ~~Nov-01-2014~~

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

First Revised Sheet No. 12
Cancels Original Sheet No. 12

- (1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.
- (2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.
- (3) ~~(2)~~ A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits over \$150, which may be granted at Company's discretion.

the

Issued by: Jeffrey M. Householder, President

Effective: ~~Nov-01-2014~~

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. I

First Revised Sheet No. 14
Cancels Original Sheet No. 14

RULES AND REGULATIONS (Continued)

4. Customer Deposits (Continued)

C. Refund of Deposits

After a customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential customer's deposits and shall, at its option either refund or pay the higher rate of interest specified below for nonresidential deposits, providing the customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. Company may, at its option, refund a deposit in less than 23 months.

D. Interest on Deposits

Two (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulations of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under section (c) above when the company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section (c) until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest for the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.

E. New or Additional Deposits

Company may require, upon ~~reasonable~~-written notice to an existing customer of not less than 30 days, ~~such notice being separate and apart from any bill for service, a new deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills.~~ Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit. ~~provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for service for two billing periods for the 12-month period immediately prior to the date of notice.~~ The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the customer has had service for less than 12 months, then the Company shall base its new or additional deposit upon the average actual monthly billing available.

Issued by: Jeffrey M. Householder, President

Effective: Nov 01 2014

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Revised Volume No. 1

~~First Revised Original Sheet No. 28~~
Cancels Original Sheet No. 28

RULES AND REGULATIONS (Continued)

9. Billing and Collecting (continued)

A separate bill will be rendered for each meter used by Customer unless, for the convenience of Company, multiple meters are used for measurement of the same class of service, in which case a bill will be rendered for the total amount registered by all meters. If Company, (as it may under unusual circumstances), permits more than one Customer to be served through one meter, the minimum bill and the first billing block kilowatt-hours of the applicable rate schedule shall be multiplied by the number of Customer so served and the number of kilowatt-hours in each succeeding block of the rate schedule shall be increased in the same proportion.

Billings in general will be based on meter readings but bills will be adjusted to compensate for errors in meter registration, in the reading thereof, or in the application of meter reading schedules to intervals five (5) days greater or lesser than a month. If the billing period is extended more than five (5) days, the Company will not apply the higher tiered rate if the Customer's higher usage is attributable to the extended billing period.

In case of tampering or unauthorized use, probable consumption will be billed as determined by the maximum quantity of electric energy estimated to have been consumed by the various appliances of Customer and a bill will be rendered for a period encompassing six (6) months prior to the detection of such abuse and /or disconnection for cause.

10. Customer's Liabilities

Company shall have the right to enter the premises of Customer at all reasonable hours for the purpose of making such inspection of Customer's installation as may be necessary for the proper application of Company's rate schedules and Rules and Regulations; for installing, removing, testing, or replacing its apparatus or property; for reading meters; and for the entire removal of Company's property in event of termination of service to Customer for any reason.

All property of Company installed in or upon Customer's premises used and useful in supplying service is placed there under Customer's protection. All reasonable care shall be exercised to prevent loss of or damage to such property and, ordinary wear and tear excepted, Customer will be held liable for any such loss of property or damage thereto and shall pay to Company the cost of necessary repairs or replacements.

Customer will be held responsible for breaking the seals, tampering or interfering with Company's meter or meters or other equipment of Company installed on customer's premises, and no one except employees of Company will be allowed to make any repairs or adjustments to any meter or other piece of apparatus belonging to Company except in case of emergency.

Florida Public Utilities Company
 F.P.S.C. Gas Tariff
 Third Revised Volume No. 1

~~Seventh Sixth~~ Revised Sheet No. 13
 Cancels ~~Sixth Fifth~~ Revised Sheet No. 13

RULES AND REGULATIONS (Continued)

3. Election of Rate Schedules (Continued)

Upon notification of any material change in Customer's installation or load connections, Company will assist in determining if a change in rates is desirable, but, unless required by substantial changes in the Customer's installation, not more than one (1) such change in rates will be made within any twelve (12) month period.

Company will require a written contract with special guarantee from Applicants whose unusual characteristics of load would require excessive investment in facilities or whose requirements for service are of a special nature.

4. Customer Deposits

A. Deposit Required

Unless credit is otherwise established in accordance with Section 4-B, the customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes, as follows:

~~(1) The amount of the initial deposit, if required may not exceed an amount necessary to cover charges for service for two (2) month's average billings to be calculated either:~~

- ~~• previous billings at the service address;~~
- ~~• average billings for the class of Customer (residential or non-residential);~~
- ~~• average billings based on the type of equipment/appliances in service or to be put into service.~~

~~In the absence of historical information, the deposit amount shall be determined by the following schedule:~~

<u>Rate Classification</u>	<u>Initial Deposit Amount</u>
Residential	\$ 112.00
Residential-Generator Only	\$ 112.00
General Service 1	\$ 640.00
General Service Transportation 1	\$ 640.00
General Service 2	\$ 640.00
General Service Transportation 2	\$ 640.00
Commercial-Generator-Only	\$ 640.00
Large-Volume Service	\$ 2,041.00
Large-Volume Transportation Service	\$ 2,041.00
Interruptible Service	\$ 2,041.00
Interruptible Service-Transportation Service	\$ 2,041.00
Gas-Lighting Service	\$ 240.00
Gas-Lighting-Transportation Service	\$ 240.00
Natural Gas-Vehicle Service	\$ 7,500.00

Florida Public Utilities Company
F.P.S.C. Gas Tariff
Third Revised Volume No. 1

~~Seventh Sixth~~ Revised Sheet No. 13
Cancels ~~Sixth Fifth~~ Revised Sheet No. 13

(1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.

(2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12 and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.

(3) ~~(2)~~ A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits over \$150, which may be granted at the Company's discretion.

Florida Public Utilities Company
F.P.S.C. Gas Tariff
Third Revised Volume No. 1

First Revised Sheet No. 13.1
Cancel: Original Sheet No. 13.1

RULES AND REGULATIONS (Continued)

4. Customer Deposits (Continued)

C. Refund of Deposits

After a customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential customer's deposits and shall, at its option either refund or pay the higher rate of interest specified below for nonresidential deposits, providing the customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. Company may, at its option, refund a deposit in less than 23 months.

D. Interest on Deposits

Two percent (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulation of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under Section (C) above when the Company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section (C) until the Commission sets a new interest rate applicable to the Company.

E. New or Additional Deposits

Company may require, upon ~~reasonable~~ written notice to an existing customer of not less than 30 days, ~~such notice being separate and apart from any bill for service,~~ a ~~new~~ deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills*. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit. provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for service for two billing periods for the 12- month period immediately prior to the date of notice. The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the customer has had service for less than 12 months, then the Company shall base its new or additional deposit upon the average actual monthly billing available.

F. Retention of Deposits

Retention by Company, prior to final settlement, of said deposit shall not be considered as a payment or part payment of any bill for service. Company shall, however apply said deposit against unpaid bills for service. In such case, Customer shall be required to restore deposit to original amount.

Florida Public Utilities Company - Fort Meade
F.P.S.C. Gas Tariff
Original Volume No. 1

~~Second First~~ Revised Sheet No. 11
Cancels ~~First Original~~ Sheet No. 11

RULES AND REGULATIONS (Continued)

3. Election of Rate Schedules (Continued)

Upon notification of any material change in Customers installation or load connections, Company will assist in determining if a change in rates is desirable, but, unless required by substantial changes in the Customer's installation, not more than one (1) such change in rates will be made within any twelve (12) month period.

Company will require a written contract with special guarantee from Applicants whose unusual characteristics of load would require excessive investment in facilities or whose requirements for service are of a special nature.

4. Customer Deposits

A. Deposit Required

Unless credit is otherwise established in accordance with Section 4-B, the customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes as follows:

~~(1) The amount of the initial deposit, if required may not exceed an amount necessary to cover charges for service for two (2) month's average billings to be calculated either:~~

~~▲ previous billings at the service address;~~

~~▲ average billings for the class of Customer (residential or non-residential);~~

~~▲ average billings based on the type of equipment/appliances in service or to be put into service.~~

~~In the absence of historical information, the deposit amount shall be determined by the following schedule:~~

<u>Rate Classification</u>	<u>Initial Deposit Amount</u>
Residential	\$ 112.00
General Service 1	\$ 640.00
General Service Transportation 1	\$ 640.00
Large Volume Service	\$ 2,041.00
Large Volume Transportation Service	\$ 2,041.00
Natural Gas Vehicle Service	\$ 7,500.00

~~(1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.~~

Issued By: Jeffrey Householder, President

Effective: ~~APR 08 2014~~

Florida Public Utilities Company - Fort Meade
F.P.S.C. Gas Tariff
Original Volume No. 1

~~Second First~~ Revised Sheet No. 11
Cancels ~~First Original~~ Sheet No. 11

RULES AND REGULATIONS (Continued)

- (2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.
- (3) ~~(2)~~ A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits over \$150, which may be granted at the Company's discretion.

Issued By: Jeffrey Householder, President

Effective: ~~APR 08 2014~~

Florida Public Utilities Company - Fort Meade
F.P.S.C. Gas Tariff
Original Volume No. 1

First Revised Sheet No. 14
Cancel Original Sheet No. 14

RULES AND REGULATIONS (Continued)

4. Customer Deposits

(Continued) Refund of

Deposits

- C. After a customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential customer's deposits and shall, at its option either refund or pay the higher rate of interest specified below for nonresidential deposits, providing the customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. Company may, at its option, refund a deposit in less than 23 months.
- D. Interest on Deposits
Two percent (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulation of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under section (C) above when the Company elects not to refund such deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section (C) until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest from the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.
- E. New or Additional Deposits
Company may require, upon ~~reasonable~~ written notice to an existing customer of not less than 30 days, ~~such notice being separate and apart from any bill for service,~~ a ~~new~~ deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for service for two billing periods for the 12- month period immediately prior to the date of notice. The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the customer has had service for less than 12 months, then the Company shall base its new or additional deposit upon the average actual monthly billing available.
- F. Retention of Deposits
Retention by Company, prior to final settlement, of said deposit shall not be considered as a payment or part payment of any bill for service. Company shall, however apply said deposit against unpaid bills for service. In such case, Customer shall be required to restore deposit to original amount.

Florida Public Utilities Company, Indiantown Division
Original Volume No. 2

~~Third~~ ~~Second~~ Revised Sheet No. 47
Cancels ~~Second~~ ~~First~~ Sheet No. 47

B. Deposits Required

Unless credit is otherwise established in accordance with Section III A, a customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes, as follows:

~~(1) The amount of the initial deposit, if required may not exceed an amount necessary to cover charges for service for two (2) months average billings to be calculated either:~~

- ~~• previous billings at the service address;~~
- ~~• average billings for the class of Customer (residential or non-residential);~~
- ~~• average billings based on the type of equipment/appliances in service or to be put into service.~~

~~In the absence of historical information, the deposit amount shall be determined by the following schedule:~~

<u>Rate Classification</u>	<u>Initial Deposit Amount</u>
Residential	\$ 112.00
Commercial Small	\$ 640.00
Commercial Large	\$ 2,041.00
Industrial	\$ 2,041.00
Natural Gas Vehicle Service	\$ 7,500.00

~~(1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.~~

~~(2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.~~

Issued by: Jeffrey Householder, President

Effective: ~~APR-08-2014~~

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(3) ~~(2)~~ A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits over \$150, which may be granted at the Company's discretion.

C. RECORD OF DEPOSIT. With respect to a cash deposit, Company will keep records to show:

- (1) The name of Customer making the deposit;
- (2) The premises occupied by Customer;
- (3) The date and amount of the deposit; and
- (4) Each transaction concerning the deposit, such as, interest payments, interest credited, or similar transactions.

Issued by: Jeffrey Householder, President

Effective: ~~APR-08-2014~~

INTEREST ON DEPOSIT. Two percent (2%) per annum interest will be credited to a Consumers account annually in accordance with the current effective rules and regulations of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under Section III. E. when the Company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section III.E. until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest from the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.

E. REFUND OF DEPOSIT.

- (1) After a Residential Customer has established a satisfactory payment record and has had continuous service for a period of not less than twenty-three (23) months, the Company shall refund the Residential Customer's deposit and shall, at its option, either refund or pay the higher rate of interest specified in Section III. D. INTEREST ON DEPOSITS, for non-residential deposits provided that the Customer has not in the preceding twelve (12) months: (a) made more than one late payment of the bill, (b) paid with a check refused by a bank, (c) been disconnected for non-payment, (d) tampered with the meter, or, (e) used service in a fraudulent or unauthorized manner.
- (2) Upon termination of Transportation Service, Company shall credit the amount of any cash deposit and accrued interest thereon against the final amount due Company from Customer, and the balance, if any, shall be returned to Customer no later than ten (10) working days after the final bill for service is rendered.

F. RECEIPT FOR CASH DEPOSIT. A non-transferable receipt will be issued to a Customer for any cash deposit and means provided so that such Customer may claim the deposit if the receipt is lost. When a new or additional cash deposit is required under Section III. G, of this Tariff, a Customer's canceled check or validated bill coupon may serve as a deposit receipt.

G. NEW OR ADDITIONAL DEPOSITS. Company may require, upon ~~reasonable~~ written notice to an existing customer of not less than thirty (30) days, ten (10) days, such request or notice being separate and apart from any bill for Transportation Service, a new cash deposit, (including guaranty, letter of credit or surety bond) (where previously waived or returned), or an additional cash deposit (or increase in the amount of a guaranty, letter of credit or surety bond), in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required ~~cash deposit or other security~~ shall

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not exceed an amount equal to the average actual charges for service for two billing periods for the 12-month period immediately prior to the date of notice. The ~~thirty (30)~~ ~~ten (10)~~ day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. ~~In the event the customer has had if~~ ~~Customer has received Transportation Service~~ service for less than 12 months, then Company will base the amount of the new or additional ~~each deposit or other security~~ upon the average actual monthly billing available.

H. RETURNED CHECK CHARGE. If a Customer's check for the deposit amount is returned to the Company and not paid by the drawer's bank, the Company shall follow the procedures set forth in Section 832.07, Florida Statutes. Termination of Transportation Service shall not be made for failure to pay such returned check charge.

IV. BILLING

A. BILLING PERIODS. Each Customer's Meter shall be read at regular intervals. Recorded meter readings for Individual Transportation Service Customers shall be provided to the Customer, and Customer's Agent if so authorized by Customer. Recorded Meter readings for all Customer Accounts in the Aggregated Transportation Service Customer Pool shall be provided to the Pool Manager. Applicable meter readings shall be included by the Company on all bills rendered to the Customer. Bills for Monthly Imbalance Quantities, and other charges as provide in this tariff, related to Aggregated Transportation Service for Customers assigned to the Customer Pool shall be billed to the Customer, Customer's Agent or Pool Manager, as applicable. All bills shall be rendered on a regular monthly basis, as soon as practical after determination of their amount.

B. PAYMENT. Bills are due and payable at the office of the Company in accordance with the FPSC rules and regulations, and the requirements of this section.

(1) Customers may choose to pay their bill in person or by mail no later than twenty (20) days from the date of mailing by the Company.

(2) Company may offer an electronic direct bank debit payment option. If such a payment option is offered, Customers may choose to participate in the program by completing an agreement with the Company. Customers choosing this payment method agree that the Company may debit their bank account for the balance due on the Customer's Transportation Service account on the fifteenth (15th) day following the date of mailing by the Company.

C. PARTIAL MONTH. Upon commencement of Transportation Service less than fifteen (15) days prior to a regular monthly billing date and when Transportation Service continues thereafter to the same Customer at the same address where Customers are receiving Transportation Service on monthly rate schedules, no

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Issued by: Michael P. McMasters, President
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Effective:

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H. DEPOSIT REQUIREMENTS

If a prospective Consumer does not satisfy one of the creditworthiness criteria defined in Section G, then payment of an initial deposit shall be required according to the following criteria:

1. Deposit Required

The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes as follows:

~~a. The amount of the initial deposit, if required may not exceed an amount necessary to cover charges for service for two (2) month's average billings to be calculated either:~~

- ~~• previous billings at the service address;~~
- ~~• average billings for the class of Customer (residential or non-residential);~~
- ~~• average billings based on the type of equipment /appliances in service to be put into service.~~

~~In the absence of historical information, the deposit amount shall be determined by the following schedule:~~

<u>Rate Classification</u>	<u>Initial Deposit Amount</u>
FTS-1	\$ 55.00
FTS-2	\$ 75.00
FTS-2.1	\$ 150.00
FTS-3	\$ 300.00
FTS-3.1	\$ 500.00
FTS-4	\$ 1,000.00
FTS-5	\$ 1,850.00
FTS-6	\$ 3,200.00
FTS-7	\$ 4,300.00
FTS-8	\$ 7,650.00
FTS-9	\$ 11,500.00
FTS-10	\$ 17,000.00
FTS-11	\$ 30,500.00
FTS-12	\$ 86,500.00
FTS-NGV	\$ 7,500.00

Issued by: Michael P. McMasters, President
Chesapeake Utilities Corporation

Effective:

Florida Division of Chesapeake Utilities Corporation
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a. For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.

b. For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.

c. b. A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits amounts over \$150, which may be granted at the Company's discretion.

Issued by: Michael P. McMasters, President
Chesapeake Utilities Corporation

Effective:

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~~e. Request for Billing of Initial Deposit Amount
Prospective Residential Consumers may request to be billed for the amount of the initial deposit. A bill for prospective Residential Consumer's initial deposit is due upon receipt and shall be considered delinquent by the Company at the expiration of seven (7) days from the date of mailing by the Company. Delinquent accounts are subject to Section R, Discontinuance of Transportation Service.~~

2. New or Additional Deposits

The Company may require, upon ~~reasonable~~ written notice to an existing customer of not less than thirty (30) days, ~~such request or notice being separate and apart from any bill for Transportation Service,~~ a new deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit. provided, however, that the total amount of the required new or additional deposit shall not exceed an amount equal to the average actual charges for ~~Transportation Service~~ for two (2) billing periods during the twelve (12) month period immediately prior to the date of notice. The (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the Consumer has had service less than twelve (12) months, then the utility shall base its new or additional deposit upon the average actual monthly billing available.

I. INTEREST ON DEPOSITS

Two percent (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulations of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under Section II.J.1. when the Company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section II.J.1. until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest from the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.

Issued by: Michael P. McMasters, President
Chesapeake Utilities Corporation

Effective:

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J. REFUND OF DEPOSITS

1. With Satisfactory Payment Record

After a Residential Consumer has established a satisfactory payment record and has had continuous service for a period of not less than 23 months, the Company

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