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OF COUNSEL  
THOMAS F. WOODS

January 12, 1998

ORIGINAL

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

HAND DELIVERY

RE: Docket No. ~~980003-GU~~  
Purchased Gas Adjustment (PGA)

Dear Ms. Bayo:

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

1. Petition for Approval of Chesapeake Utilities Corporation's Purchased Gas Adjustment Factor;
2. Direct Testimony of Anne V. Wood;
3. Exhibit AVW-2: Purchased Gas Projection Filing (April, 1998 - March, 1999); and
4. our Certificate of Service.

ACK \_\_\_\_\_  
AFA \_\_\_\_\_  
APP \_\_\_\_\_  
CAF \_\_\_\_\_  
GMH \_\_\_\_\_  
GTR \_\_\_\_\_  
EAG \_\_\_\_\_  
ETG \_\_\_\_\_  
LW \_\_\_\_\_  
OFC \_\_\_\_\_  
RCH \_\_\_\_\_  
SEC \_\_\_\_\_  
WAS \_\_\_\_\_  
OTH \_\_\_\_\_

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

Sincerely,

*Wayne L. Schiefelbein*  
Wayne L. Schiefelbein

RECEIVED & FILED

*Wen*  
FPSC-BUREAU OF RECORDS

*Petition*  
DOCUMENT NUMBER - DATE

*Wood & Exh*  
DOCUMENT NUMBER - DATE

~~00576~~ JAN 12 88

~~00577~~ JAN 12 88

FPSC-RECORDS/REPORTING

fpsc-records/reporting

*3 + orig test*

*WLS/cas*  
Enclosures  
*01/12/98, 003/bayo-3an, 98*

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas Adjustment ) Docket No. 980003-GU  
(PGA) True-up ) Filed: January 12, 1998

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the Petition for Approval of Chesapeake Utilities Corporation's Purchased Gas Adjustment Factor; Direct Testimony of Anne V. Wood; Exhibit AVW-2; and this Certificate of Service have been furnished on this 12th day of January, 1998 by hand-delivery to **WILLIAM COCHRAN KEATING, IV, ESQ.**, Division of Legal Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, and by regular U.S. Mail to the following:

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ORIGINAL

BEFORE THE

FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas True-Up )  
\_\_\_\_\_ )

DOCKET NO. ~~980003-GU~~

PETITION FOR APPROVAL OF  
CHESAPEAKE UTILITIES CORPORATION'S  
PURCHASED GAS ADJUSTMENT FACTOR

Chesapeake Utilities Corporation ("the Company"), pursuant to the requirements of this docket, petitions the Commission for approval of the Company's levelized purchased gas adjustment factor ("PGA") to be charged for gas consumption during the period April 1, 1998 to March 31, 1999. In support hereof, the Company states:

- 1. The exact name of the Company and the address of its principal business office is

Chesapeake Utilities Corporation  
Florida Division  
1015 6th Street N. W.  
Winter Haven, Florida 33882-0960

- 2. The names and addresses of the persons authorized to receive notices and

communications in respect to this docket is:

Wayne L. Schiefelbein, Esquire  
Gatlin, Schiefelbein & Cowdery  
3301 Thomasville Road, Suite 300  
Tallahassee, Florida 32312

Ms. Anne V. Wood  
Chesapeake Utilities Corporation  
Florida Division  
P. O. Box 960  
Winter Haven, Florida 33882-0960

DOCUMENT NUMBER-DATE

00576 JAN 12 89

FPSC REGISTRY REPORTING

3. Pursuant to the requirements of this docket, Chesapeake Utilities Corporation has prefiled the PGA true-up forms supplied by the Electric and Gas Department for the April 1996 - March 1997 period in a manner consistent with the Department's instructions.

4. As indicated in the prefiled true-up forms, Chesapeake Utilities Corporation has experienced an underrecovery of \$328,249 for the April 1996 - March 1997 period. In the February 1997 hearings in this docket, an estimated underrecovery of \$815,801 for the April 1996 - March 1997 period was approved for calculation of the true-up factor for April 1997 - March 1998. Therefore, a final true-up amount of \$487,552 (overrecovery) will be included in the current calculation of the April 1998 - March 1999 true-up factor.

5. For the period of April 1997 to March 1998, Chesapeake Utilities Corporation projects an underrecovery of \$442,997, resulting in a total overrecovery of \$14,555 to refund in the April 1998 - March 1999 period. The Company projects therm sales of 27,707,637 for the April 1998 - March 1999 period. Therefore, the cumulative true-up factor to be applied to gas bills for this period is .161 cents per therm refund.

6. As indicated on the attached schedules E-1 through E-5, the Company projects total gas costs for the April 1998 - March 1999 period to be \$9,719,740. As stated previously, the Company projects therm sales of 27,707,637 resulting in a weighted average cost of gas (WACOG) of 35.586 cents per therm for the twelve-month period. Since the Company historically experiences higher gas costs during the winter months, the Company requests that its projected firm winter average cost of gas for the months of October 1998 through March 1999 be approved as the maximum PGA factor to be charged during the period of April 1998 through March 1999.

7. Allocation of the total gas costs to firm and interruptible customers results in a firm winter WACOG of 41.823 cents per therm, including the true-up factor and taxes, for the April 1998

- March 1999 period. The Company projects the interruptible winter WACOG including the true-up factor and taxes, to be 34.527 cents per therm for the April 1998 - March 1999 period.

WHEREFORE, for the purpose of establishing the maximum rate to be charged for all gas sales during the period April 1998 - March 1999, Chesapeake Utilities Corporation petitions the Commission to approve a factor of 41.823 cents per therm.

DATED this 12th day of January, 1998.

Respectfully submitted,  
CHESAPEAKE UTILITIES CORPORATION  
FLORIDA DIVISION

By Anne V. Wood  
Anne V. Wood  
Accounting and Rates Manager