

**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION )  
OF CHESAPEAKE UTILITIES CORPORATION )  
FOR APPROVAL OF A NEW RATE SCHEDULE ) PSC DOCKET NO. 16-0123  
CALLED TOWN OF LAUREL FRANCHISE FEE )  
RIDER ("TLFF") )  
(FILED JANUARY 29, 2016) )

**ORDER NO. 8852**

**AND NOW**, this 23<sup>rd</sup> day of February, 2016, the Public Service Commission (the "Commission") determines and orders the following:

**WHEREAS**, on January 29, 2016, Chesapeake Utilities Corporation ("Chesapeake") filed with the Commission an application ("Application") seeking approval of a new gas service tariff schedule called the "Town of Laurel Franchise Fee Rider" (or "TLFF"). The TLFF is a proposed surcharge of \$0.0181 per 100 cubic feet ("Ccf") of delivered natural gas and will be assessed against all of the natural gas customers of Chesapeake who reside within the limits of the Town of Laurel (the "Town"); and

**WHEREAS**, the proposed TLFF is based on a franchise agreement between Chesapeake and the Town which requires Chesapeake to pay a franchise fee of \$0.0181 per Ccf of natural gas for Chesapeake's use of the Town's public roads and rights-of-way to provide natural gas services. The franchise agreement also authorizes Chesapeake, subject to any necessary federal or state approvals, to collect a franchise fee from its customers residing within the Town by way of a surcharge on the customer's bill; and

**WHEREAS,** Chesapeake has requested that the Commission schedule this matter to consider the proposed surcharge for the TLFF and tariff changes so that such surcharge and tariff changes could be effective for bills rendered on and after April 1, 2016;

**NOW, THEREFORE, IT IS ORDERED BY THE AFFIRMATIVE VOTE  
OF NO FEWER THAN THREE COMMISSIONERS:**

1. Pursuant to 26 Del. C. §306(a)(1), Chesapeake's proposed tariff changes to implement a surcharge for the TLFF as set forth in the Application are hereby suspended and shall not be placed into force or effect except pursuant to law or further order of the Commission, and then only to the extent such law or further Commission order may permit or allow.

2. The Commission will consider the proposed tariff changes to implement a surcharge for the TLFF at the Commission's regularly-scheduled meeting to be held on **Tuesday, March 22, 2016, beginning at 1:00 p.m.**

3. Chesapeake shall publish the public notice attached as **Exhibit "A"** in two column format, outlined in black, in the legal classified sections of The News Journal and the Delaware State News newspapers as early as possible during **the week of February 29, 2016**. Chesapeake shall also file proof of such publications with the Commission as soon as possible, but **no later than March 21, 2016**.

4. As outlined in the form of notice (attached as **Exhibit "A"**), interested persons are afforded the opportunity to file objections to the proposed surcharge for the TLFF and proposed tariff changes. Petitions for intervention shall be filed **on or**

**before Tuesday, March 8, 2016.** Any objections or written comments shall be filed **on or before Tuesday, March 15, 2016.**

5. If the Commission does not receive any meritorious objections or written comments raising significant issues, the Commission may, by later order, approve the proposed surcharge for the TLFF and tariff changes without further notice or proceedings. If meritorious objections or written comments are filed, the Commission will, by later order, determine the course of any appropriate further proceedings. These further proceedings may include the appointment of a Hearing Examiner to conduct an evidentiary hearing or the requirement that the Company make a separate regulatory filing in a new docket to address the matter.

6. Chesapeake is hereby advised that the costs of this proceeding will be charged to it under the provisions of 26 Del. C. §114(b)(1).

7. The Commission reserves the jurisdiction and authority to enter such other or further orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

---

Chair

---

Commissioner

---

Commissioner

---

Commissioner

---

Commissioner

ATTEST:

---

Secretary

E X H I B I T "A"

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION )  
OF CHESAPEAKE UTILITIES CORPORATION )  
FOR APPROVAL OF A NEW RATE SCHEDULE ) PSC DOCKET NO. 16-0123  
"TLFF" CALLED TOWN OF LAUREL )  
FRANCHISE FEE RIDER )  
(FILED JANUARY 29, 2016) )

P U B L I C N O T I C E

**TO: ALL NATURAL GAS CUSTOMERS OF CHESAPEAKE UTILITIES CORPORATION  
AND, IN PARTICULAR, THOSE WITHIN THE TOWN OF LAUREL, AND OTHER  
INTERESTED PERSONS**

On January 29, 2016, Chesapeake Utilities Corporation ("Chesapeake" or the "Company") filed with the Delaware Public Service Commission (the "Commission") an application requesting permission to charge all of its respective natural gas customers who reside within the Town of Laurel (the "Town") a surcharge called the Town of Laurel Franchise Fee Rider (the "TLFF"). The TLFF would be in the amount of \$0.0181 per 100 cubic feet ("Ccf") of delivered natural gas and would be based on a franchise fee that Chesapeake must pay the Town for using the Town's public roads and rights-of-way to provide natural gas service to the Town's residents. Chesapeake seeks to collect the TLFF from its customers as a surcharge on its customers' bills and has requested that the surcharge be effective for bills rendered on and after April 1, 2016.

On February 23, 2016, the Commission suspended the proposed surcharge pending further order. The Commission will consider whether to approve Chesapeake's application for the surcharge at its

regularly-scheduled meeting to be held on **Tuesday, March 22, 2016, commencing at 1:00 p.m.** This meeting will be held in the Commission's office located at 861 Silver Lake Boulevard, Cannon Building, Suite 100, Dover, Delaware 19904. The Commission will render a decision based upon the evidence presented to it at that time.

If the Commission does not receive any meritorious objections or written comments raising significant issues, the Commission may, by later order, approve the proposed surcharge for the TLFF and tariff changes without further notice or proceedings. If meritorious objections or written comments are filed, the Commission will, by later order, determine the course of any appropriate further proceedings. These further proceedings may include the appointment of a Hearing Examiner to conduct an evidentiary hearing or the requirement that the Company make a separate regulatory filing in a new docket to address the matter.

If you wish to formally participate as a party in this matter, with the right to present evidence and be represented by counsel, you must file with the Commission a written petition asking for leave to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (26 Del. Admin. C. §1001-2.9) **on or before Tuesday, March 8, 2016.** All such petitions should be e-filed according to the Commission's Rules (26 Del. Admin. C. §1001-1.6.4). Petitions filed after the deadline of March 8, 2016, will not be considered except for good cause shown.

If you wish, you may file objections or written comments concerning this application **on or before Tuesday, March 15, 2016.**

Such objections or written comments shall be filed **on or before March 15, 2016**, using the Commission's file management system, DelaFile (<http://delafile.delaware.gov>) and by searching for Docket No. 16-0123.

You are invited to review Chesapeake's application and supporting documents to determine how your interests may be affected by going to DelaFile (<http://delafile.delaware.gov>), the Commission's file management system, and by searching for Docket No. 16-0123.

If you would like to review documents at the Commission's offices, please contact Donna Nickerson at (302) 736-7500 or by sending an email addressed to [donna.nickerson@state.de.us](mailto:donna.nickerson@state.de.us). You may also review copies of Chesapeake's application and supporting documents at the office of the Division of the Public Advocate located at 820 North French Street, 4th Floor, Wilmington, Delaware 19801 or 29 South State Street, Dover, DE 19901. Please call either (302) 577-5077 (Wilmington) or (302) 241-2555 (Dover) to arrange for a time to review the documents at either of those locations.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. The link to this form can be found on the Commission's website, <http://dep.sc.delaware.gov>, or by visiting this web address: <https://delafile.delaware.gov/Complaints/FOIA.aspx>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 Del. C. ch. 100.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any

auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means.

If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by Internet e-mail addressed to [joshua.bowman@state.de.us](mailto:joshua.bowman@state.de.us).