



March 10, 2008

Ms. Ann Cole, Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

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COMMISSION  
CLERK


Re: Petition of Progress Energy Florida, Inc. for approval of depreciation rates for new plant sub-accounts; Docket No. 080145-EI

Dear Ms. Cole:

Please find enclosed for filing on behalf of Progress Energy Florida, Inc. ("PEF") the original and seven (7) copies of its petition for approval of depreciation rates for new plant sub-accounts.

Thank you for your assistance in this matter. Please call me at (727) 820-5184 should you have any questions.

Sincerely,

  
John T. Burnett

JTB/lms

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Petition of Progress Energy  
Florida, Inc. for approval of  
depreciation rates for new plant sub-  
accounts.

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Docket No. 080145-EI

Submitted for filing:

P E T I T I O N

Progress Energy Florida, Inc. (PEF or the Company), pursuant to Rule 25-6.0436, F.A.C., hereby petitions the Commission for approval of depreciation rates applicable to property recorded in newly established plant sub-accounts under the Uniform System of Accounts for the Hines 4 combined cycle generating unit, which was put into commercial operation in December, 2007. In support of its petition, PEF states as follows:

1. Petitioner, PEF is an investor-owned utility subject to the jurisdiction of the Commission under Chapter 366, Florida Statutes. PEF's principal place of business is located at 299 First Avenue North, St. Petersburg, Florida, 33701.
2. All notices, pleadings and other communications required to be served on petitioner should be directed to:

John T. Burnett  
Associate General Counsel  
Progress Energy Service Company, LLC  
Post Office Box 14042  
St. Petersburg, FL 33733-4042  
Telephone: (727) 820-5184  
Facsimile: (727) 820-5249

3. Commission Rule 25-6.0436(3)(a), F.A.C., requires that utilities maintain depreciation rates and accumulated depreciation reserves in accounts or sub-accounts prescribed in Rule 25-

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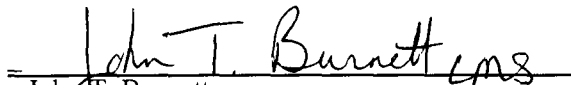
6.014(1), F.A.C. (i.e., the FERC Uniform System of Accounts). Paragraph (3)(b) of the rule further provides that:

Upon establishing a new account or sub-account classification, each utility shall request Commission approval of a depreciation rate for the new plant category.

4. PEF has established new sub-account classifications within FERC Accounts 340 through 346, *Other Production*, to record its investment in the Hines 4 combined cycle unit, a 517MW combined cycle unit at the Company's existing Hines Energy plant site in Polk County, Florida, which was placed in service December, 2007. Therefore, in accordance with the above quoted rule provision, this petition seeks Commission approval of depreciation rates for the property recorded in these new plant sub-accounts for the Hines 4 unit.

5. In FPSC Docket No. 070290-EI, revenue requirements, as approved by the Commission, reflected the embedded depreciation rate for Hines 4 of 3.86%. Accordingly, PEF requests that the Commission prescribe depreciation rates applicable to the property recorded in the new plant sub-accounts as set forth above. The Company further requests that the Commission approve, effective with the in-service date of the new unit, implementation of the proposed depreciation rates.

Respectfully submitted,



John T. Burnett  
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Progress Energy Service Company, LLC  
Post Office Box 14042  
St. Petersburg, FL 33733-4042  
Phone: (727) 820-5184/ Fax: (727) 820-5519

Attorney for

PROGRESS ENERGY FLORIDA, INC.