

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: 1997 Depreciation Study  
by Florida Power Corporation

DOCKET NO. 971570-EI .  
ORDER NO. PSC-98-0383-PCO-EI  
ISSUED: March 10, 1998

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman  
J. TERRY DEASON  
SUSAN F. CLARK  
JOE GARCIA  
E. LEON JACOBS, Jr.

ORDER APPROVING PRELIMINARY IMPLEMENTATION OF PROPOSED  
DEPRECIATION RATES AND RECOVERY SCHEDULES

BY THE COMMISSION:

Rule 25-6.0436, Florida Administrative Code (F.A.C.), requires Investor Owned Utilities to file comprehensive depreciation studies at least once every four years. On December 1, 1997, Florida Power Corporation (FPC or Company) filed its regular depreciation study in accordance with this rule. FPC also requested preliminary implementation of its proposed depreciation rates and recovery schedules as of January 1, 1998 in accordance with Rule 25-6.0436(5), F.A.C. This order addresses FPC's request for preliminary implementation.

We find that FPC shall be allowed to implement its proposed depreciation rates and recovery schedules on a preliminary basis, as shown on Attachment A, pages 5 - 6. The total effect of this proposal, as shown on Attachment B, pages 7 - 9, would increase annual depreciation expenses by approximately \$2.6 million, based on estimated January 1, 1998, investments and reserves. The rates and resultant expenses shall be trued-up when final action is taken by this Commission later in 1998.

Preliminary booking or implementation does not and should not infer that, upon completion of the review of the Company's filed study, we will be in full agreement with Company life, reserve, or salvage proposals, but only that preliminary implementation of the rates and recovery schedules shown on Attachment A are likely to result in more appropriate expenses than retention of the currently effective rates. In either case, of course, expense will be trued-up upon final Commission action in this docket.

A summary of the changes in estimated 1998 expenses resulting from the Company proposed rates which are shown on Attachment B, pages 7 - 9, are as follows:

DOCUMENT NUMBER-DATE

03030 MAR 10 88

FPSC-RECORDS/REPORTING

	<u>\$000</u>
Production	2,330
Transmission	(649)
Distribution	98
General	<u>671</u>
Total Rates	2,450
Recovery Schedules	<u>138</u>
Total Increase	<u>2,588</u>

The Company had requested, and all data and calculations abutted, a January 1, 1998, implementation date. Rule 25-6.0436(5), F.A.C., is a provision for preliminary implementation which permits a more accurate statement of expected expenses during the fiscal year. Therefore, in accordance with this request, we believe that the implementation date should be January 1, 1998.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida Power Corporation shall be allowed to implement its proposed depreciation rates and recovery schedules on a preliminary basis, as shown on Attachment A. It is further

ORDERED that the implementation date shall be January 1, 1998. It is further

ORDERED that this docket shall remain open pending final action on FPC's depreciation study.

By ORDER of the Florida Public Service Commission this 10th day of March, 1998.

BLANCA S. BAYÓ, Director  
Division of Records and Reporting

By: Kay Flynn  
Kay Flynn, Chief  
Bureau of Records

( S E A L )

JCB

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: 1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; 2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or 3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

		COMMISSION APPROVED FOR PRELIMINARY IMPLEMENTATION			
ACCOUNT NUMBER	ACCOUNT TITLE	REMAINING	NET	01/01/98	DEPRECIATION RATE
		LIFE YEARS	SALVAGE RATIO	ESTIMATED RESERVE	
		(YRS.)	(%)	(%)	(%)
<b>STEAM PRODUCTION</b>					
ANCLOTE PLANT					
311	STRUCTURES AND IMPROVEMENTS	22.0	(5.0)	44.49	2.8
312	BOILER PLANT EQUIPMENT	12.0	(20.0)	62.93	4.8
314	TURBOGENERATOR EQUIPMENT	10.0	(10.0)	66.12	4.4
315	ACCESSORY ELECTRIC EQUIPMENT	13.9	(10.0)	51.65	4.2
316	MISCELLANEOUS POWER PLANT EQUIP.	7.2	(5.0)	66.96	5.3
BARTOW PLANT					
311	STRUCTURES AND IMPROVEMENTS	11.0	(5.0)	69.31	3.2
312	BOILER PLANT EQUIPMENT	7.9	(20.0)	50.59	8.8
314	TURBOGENERATOR EQUIPMENT	10.0	(20.0)	61.52	5.8
315	ACCESSORY ELECTRIC EQUIPMENT	11.0	(20.0)	55.24	5.9
316	MISCELLANEOUS POWER PLANT EQUIP.	7.2	(5.0)	59.60	6.3
CRYSTAL RIVER 1 & 2 PLANT					
311	STRUCTURES AND IMPROVEMENTS	13.4	(5.0)	47.48	4.3
312	BOILER PLANT EQUIPMENT	12.1	(25.0)	54.60	5.8
314	TURBOGENERATOR EQUIPMENT	13.4	(25.0)	51.96	5.5
315	ACCESSORY ELECTRIC EQUIPMENT	13.7	(10.0)	41.11	5.0
316	MISCELLANEOUS POWER PLANT EQUIP.	9.0	(5.0)	49.23	6.2
CRYSTAL RIVER 4 & 5 PLANT					
311	STRUCTURES AND IMPROVEMENTS	24.0	(5.0)	32.25	3.0
312	BOILER PLANT EQUIPMENT	16.5	(10.0)	52.35	3.5
314	TURBOGENERATOR EQUIPMENT	11.6	(10.0)	50.15	5.2
315	ACCESSORY ELECTRIC EQUIPMENT	16.3	(10.0)	48.55	3.8
316	MISCELLANEOUS POWER PLANT EQUIP.	10.0	(5.0)	54.74	5.0
316.2	MISC. POWER PLANT EQUIPMENT (5 YR)		5 YEAR AMORTIZATION		
316.3	MISC. POWER PLANT EQUIPMENT (7 YR)		7 YEAR AMORTIZATION		
BARTOW-ANCLOTE PIPELINE					
		15.8	(5.0)	51.00	3.4
316.2	COMPUTERS (5 YR)		5 YEAR AMORTIZATION		
316.3	OFFICE FURN., TOOLS, MISC. (7 YR)		7 YEAR AMORTIZATION		
<b>NUCLEAR PRODUCTION</b>					
CRYSTAL RIVER 3					
321	STRUCTURES AND IMPROVEMENTS	18.1	(10.0)	54.33	3.1
322	REACTOR PLANT EQUIPMENT	14.5	(20.0)	53.51	4.6
323	TURBOGENERATOR EQUIPMENT	15.2	(20.0)	38.88	5.5
324	ACCESSORY ELECTRIC EQUIPMENT	15.1	(20.0)	44.51	5.0
325	MISC. POWER PLANT EQUIPMENT	7.7	(5.0)	65.81	5.1
303	INTANGIBLE		5 YEAR AMORTIZATION		
325.2	COMPUTERS (5 YR)		5 YEAR AMORTIZATION		
325.3	OFFICE FURN., TOOLS, MISC. (7 YR)		7 YEAR AMORTIZATION		
<b>OTHER PRODUCTION</b>					
	BAYBORO PEAKING	10.2	(10.0)	78.97	3.0
	HIGGINS PEAKING	5.9	(10.0)	71.53	6.5
	AVON PARK PEAKING	6.4	(10.0)	73.82	5.7
	BARTOW PEAKING	6.6	(10.0)	58.61	6.0
	RIO PINAR PEAKING	6.3	(10.0)	69.59	6.4
	SUWANNEE RIVER PEAKING	10.5	(10.0)	56.11	5.1
	TURNER PEAKING	10.8	(10.0)	64.23	4.2
	DEBARY PEAKING UNITS 1-6	14.2	(10.0)	53.59	3.0
	DEBARY PEAKING UNITS 7-10	26.0	(10.0)	17.40	3.6
	INTERCESSION CITY PEAKING UNITS 1-6	13.3	(10.0)	64.27	3.4
	INTERCESSION CITY PEAKING UNITS 7-10	27.0	(10.0)	14.95	3.5
	INTERCESSION CITY PEAKING UNIT 11	25.0	(10.0)	3.77	4.2
	UNIVERSITY OF FLORIDA COGEN	15.2	(10.0)	20.25	5.9
	TIGER BAY COMBINED CYCLE	18.0	(10.0)	2.52	6.0
	HINES ENERGY COMBINED CYCLE	20.0	(10.0)	0.00	5.5
	GAS CONVERSION PROJECTS		5 YEAR AMORTIZATION		
<b>TRANSMISSION PLANT</b>					
350.1	EASEMENTS	43.0	0.0	28.43	1.7
352	STRUCTURES AND IMPROVEMENTS	35.0	(5.0)	31.87	2.1
353	STATION EQUIPMENT	29.0	10.0	25.01	2.2
353.1	ENERGY CONTROL CENTER	5.0	0.0	48.07	10.4
354	TOWERS AND FIXTURES	30.0	(35.0)	67.43	2.3
355	POLES AND FIXTURES	22.0	(30.0)	42.34	4.0
356	OVERHEAD CONDUCTOR AND DEVICES	21.0	(20.0)	50.99	3.3
357	UNDERGROUND CONDUIT	21.0	0.0	65.57	1.6
358	UNDERGROUND CONDUCTOR AND DEVICES	16.8	0.0	71.41	1.7
359	ROADS AND TRAILS	31.0	0.0	38.71	2.0

\*DENOTES WHOLE LIFE RATE

ACCOUNT NUMBER	ACCOUNT TITLE	COMMISSION APPROVED FOR PRELIMINARY IMPLEMENTATION			
		REMAINING LIFE YEARS (YRS.)	NET SALVAGE RATIO (%)	01/01/98 ESTIMATED RESERVE (%)	DEPRECIATION RATE (%)
<b>DISTRIBUTION PLANT</b>					
360.1	EASEMENTS	41.0	0.0	31.06	1.7
361	STRUCTURES AND IMPROVEMENTS	39.0	(5.0)	24.91	2.1
362	STATION EQUIPMENT	27.0	15.0	23.43	2.3
364	POLES, TOWERS, AND FIXTURES	20.0	(20.0)	41.87	3.9
365	OVERHEAD CONDUCTOR AND DEVICES	20.0	(35.0)	39.72	4.8
366	UNDERGROUND CONDUIT	35.0	0.0	23.16	2.2
367	UNDERGROUND CONDUCTOR AND DEVICES	26.0	0.0	26.13	2.8
368	LINE TRANSFORMERS	15.2	(15.0)	40.20	4.9
369.1	OVERHEAD SERVICES	24.0	(50.0)	43.62	4.4
369.2	UNDERGROUND SERVICES	31.0	(20.0)	28.26	3.0
370	METERS	19.6	(15.0)	35.00	4.1
371	INSTALLATIONS ON CUSTOMER'S PREMISES	13.1	0.0	36.19	4.9
372	LEASED PROPERTY ON CUST PREM	25.0	0.0	0.00	4.0
373	STREET LIGHTING AND SIGNAL SYSTEMS	9.1	(15.0)	44.46	7.8
<b>GENERAL PLANT</b>					
390	STRUCTURES AND IMPROVEMENTS	26.0	(15.0)	26.70	3.4
391.1	OFFICE FURNITURE		7 YEAR AMORTIZATION		
391.2	OFFICE EQUIPMENT		7 YEAR AMORTIZATION		
391.3	COMPUTER EQUIPMENT		5 YEAR AMORTIZATION		
391.5	DUPLICATING EQUIPMENT		7 YEAR AMORTIZATION		
393.1	MOTORIZED HANDLING EQUIPMENT		7 YEAR AMORTIZATION		
393.2	STORAGE EQUIPMENT		7 YEAR AMORTIZATION		
393.3	PORTABLE HANDLING EQUIPMENT		7 YEAR AMORTIZATION		
394.1	TOOLS, SHOP, AND GARAGE EQUIPMENT		7 YEAR AMORTIZATION		
394.2	PORTABLE TOOLS		7 YEAR AMORTIZATION		
395.1	STATIONARY LABORATORY EQUIPMENT		7 YEAR AMORTIZATION		
395.2	PORTABLE LABORATORY EQUIPMENT		7 YEAR AMORTIZATION		
396	POWER OPERATED EQUIPMENT	5.1	10.0	59.07	6.1
397.0	COMMUN. EQUIP. (NON-FIBER ADDITIONS)		7 YEAR AMORTIZATION		
397.1	COMMUN. EQUIP. (EXISTING NON-FIBER)		7 YEAR AMORTIZATION		
397.2	COMMUN. EQUIP. (FIBER OPTIC)	13.0	0.0		7.7
398.1	ENERGY CONSERVATION		5 YEAR AMORTIZATION		
398.2	MISCELLANEOUS EQUIPMENT		7 YEAR AMORTIZATION		
<b>TRANSPORTATION EQUIPMENT</b>					
392.1	CARS	2.6	18.0	43.09	15.0
392.2	LIGHT TRUCKS	4.0	22.0	43.19	8.7
392.3	HEAVY TRUCKS	7.0	12.0	57.04	4.4
392.4	SPECIAL EQUIPMENT	9.5	15.0	38.48	4.9
392.5	TRAILERS	18.8	40.0	28.16	1.7
392.6	AIRCRAFT (USED)	5.0	25.0	100.00	0.0
392.7	AIRCRAFT (NEW)	5.0	50.0	32.24	3.6
<b>INTANGIBLE</b>					
303	INTANGIBLE		5 YEAR AMORTIZATION		
303.1	CUSTOMER SERVICE SYSTEM		10 YEAR AMORTIZATION		
<b>RECOVERY SCHEDULES</b>					
	SUWANNEE RIVER STEAM PLANT (4 YR)		4 YEAR AMORTIZATION		
	HIGGINS RETIREMENTS (1.5 YR REMAINING)		1.5 YEAR AMORTIZATION		
	TURNER RETIREMENTS (2.5 YEAR REMAINING)		2.5 YEAR AMORTIZATION		

\*DENOTES WHOLE LIFE RATE.

FLORIDA POWER CORPORATION  
 PRELIMINARY IMPLEMENTATION  
 COMPARISON OF DEPRECIATION ACCRUALS AS OF JANUARY 1, 1998  
 RETAIL JURISDICTIONAL METHODOLOGY

ACCOUNT NUMBER	ACCOUNT TITLE	ESTIMATED INVESTMENT	CURRENT APPRD. RATE	PRELIM. APPRVD. RATE	CURRENT ACCRUAL	PRELIMINARY APPRVD. ACCRUAL	DIFFERENCE (DECREASE)
<b>STEAM PRODUCTION</b>							
ANCLOTE PLANT							
311	STRUCTURES AND IMPROVEMENTS	34,573,175	2.6%	2.8%	898,903	968,049	69,146
312	BOILER PLANT EQUIPMENT	84,460,850	4.6%	4.8%	3,885,199	4,054,121	168,922
314	TURBOGENERATOR EQUIPMENT	88,748,577	4.0%	4.4%	3,549,943	3,904,937	354,994
315	ACCESSORY ELECTRIC EQUIPMENT	26,654,830	3.8%	4.2%	1,012,884	1,119,503	106,619
316	MISCELLANEOUS POWER PLANT EQUIPMENT	4,928,176	5.2%	5.3%	256,265	261,193	4,928
BARTOW PLANT							
311	STRUCTURES AND IMPROVEMENTS	16,976,847	2.9%	3.2%	492,329	543,259	50,930
312	BOILER PLANT EQUIPMENT	60,083,735	7.8%	8.8%	4,686,531	5,287,369	600,838
314	TURBOGENERATOR EQUIPMENT	26,806,260	6.2%	5.8%	1,661,988	1,554,763	(107,225)
315	ACCESSORY ELECTRIC EQUIPMENT	14,424,280	7.1%	5.9%	1,024,124	851,033	(173,091)
316	MISCELLANEOUS POWER PLANT EQUIPMENT	2,634,593	6.2%	6.3%	163,345	165,979	2,634
CRYSTAL RIVER 1 & 2 PLANT							
311	STRUCTURES AND IMPROVEMENTS	70,137,891	3.5%	4.3%	2,454,826	3,015,929	561,103
312	BOILER PLANT EQUIPMENT	126,886,124	6.0%	5.8%	7,613,167	7,359,395	(253,772)
314	TURBOGENERATOR EQUIPMENT	105,843,072	9.1%	5.5%	9,631,720	5,821,369	(3,810,351)
315	ACCESSORY ELECTRIC EQUIPMENT	33,773,592	4.4%	5.0%	1,486,038	1,688,680	202,642
316	MISCELLANEOUS POWER PLANT EQUIPMENT	4,616,757	6.2%	6.2%	286,239	286,239	0
CRYSTAL RIVER 4 & 5 PLANT							
311	STRUCTURES AND IMPROVEMENTS	145,095,706	2.4%	3.0%	3,482,297	4,352,871	870,574
312	BOILER PLANT EQUIPMENT	457,926,203	3.7%	3.5%	16,943,270	16,027,417	(915,853)
314	TURBOGENERATOR EQUIPMENT	191,100,879	4.1%	5.2%	7,835,136	9,937,246	2,102,110
315	ACCESSORY ELECTRIC EQUIPMENT	78,246,624	3.4%	3.8%	2,660,385	2,973,372	312,987
316	MISCELLANEOUS POWER PLANT EQUIPMENT	7,871,315	4.1%	5.0%	322,724	393,566	70,842
316.2	MISC. POWER PLANT EQUIPMENT (5 YR)	2,950	AMORT.	AMORT.	590	590	0
316.3	MISC. POWER PLANT EQUIPMENT (7 YR)	9,936	AMORT.	AMORT.	1,421	1,421	0
BARTOW-ANCLOTE PIPELINE							
		16,206,922	2.6%	3.4%	421,380	551,035	129,655
303	STEAM INTANGIBLE (5 YR)	726,611	AMORT.	AMORT.	145,322	145,322	0
316.2	COMPUTERS (5 YR)	3,801,365	AMORT.	AMORT.	760,273	760,273	0
316.3	OFFICE FURN., TOOLS, MISC. (7 YR)	39,742	AMORT.	AMORT.	5,683	5,683	0
	<b>TOTAL STEAM</b>	<b>1,602,577,012</b>			<b>71,681,982</b>	<b>72,030,614</b>	<b>348,632</b>
<b>NUCLEAR PRODUCTION</b>							
321	STRUCTURES AND IMPROVEMENTS	171,643,118	3.1%	3.1%	5,320,937	5,320,937	0
322	REACTOR PLANT EQUIPMENT	216,366,174	4.6%	4.6%	9,952,844	9,952,844	0
323	TURBOGENERATOR EQUIPMENT	83,107,942	5.4%	5.5%	4,487,829	4,570,937	83,108
324	ACCESSORY ELECTRIC EQUIPMENT	157,322,423	5.0%	5.0%	7,866,121	7,866,121	0
325	MISC. POWER PLANT EQUIPMENT	27,712,031	3.4%	5.1%	942,209	1,413,314	471,105
303	INTANGIBLE (5 YR)	7,656,616	AMORT.	AMORT.	1,531,323	1,531,323	0
325.2	COMPUTERS (5 YR)	7,245,839	AMORT.	AMORT.	1,449,168	1,449,168	0
325.3	OFFICE FURN., TOOLS, MISC. (7 YR)	159,856	AMORT.	AMORT.	22,859	22,859	0
	<b>TOTAL NUCLEAR</b>	<b>671,213,999</b>			<b>31,573,290</b>	<b>32,127,503</b>	<b>554,213</b>

\* DENOTES WHOLE LIFE RATE.

⊗ DENOTES COMPOSITE FOR ALL ACCOUNTS.

FLORIDA POWER CORPORATION  
 PRELIMINARY IMPLEMENTATION  
 COMPARISON OF DEPRECIATION ACCRUALS AS OF JANUARY 1, 1998  
 RETAIL JURISDICTIONAL METHODOLOGY

ACCOUNT NUMBER	ACCOUNT TITLE	ESTIMATED INVESTMENT	CURRENT APPRD. RATE	PRELIM. APPRVD. RATE	CURRENT ACCRUAL	PRELIMINARY APPRVD. ACCRUAL	DIFFERENCE (DECREASE)
	<b>OTHER PRODUCTION</b>						
	BAYBORO PEAKING	19,607,537	4.7%	3.0%	921,554	588,226	(333,328)
	HIGGINS PEAKING	16,553,020	6.7%	6.5%	1,109,052	1,075,946	(33,106)
	AVON PARK PEAKING	7,486,622	5.3%	5.7%	396,791	426,737	29,946
	BARTOW PEAKING	21,701,973	5.1%	6.0%	1,106,801	1,302,118	195,317
	RIO PINAR PEAKING	2,385,430	7.3%	6.4%	174,136	152,668	(21,468)
	SUWANNEE RIVER PEAKING	28,113,008	3.5%	5.1%	983,955	1,433,763	449,808
	TURNER PEAKING	20,196,666	4.4%	4.2%	888,653	848,260	(40,393)
	DEBARY PEAKING UNITS 1-6	48,386,403	3.6%	4.0%	1,741,911	1,935,456	193,545
	DEBARY PEAKING UNITS 7-10	92,002,397	3.4%	3.6%	3,128,081	3,312,086	184,005
	INTERCESSION CITY PEAKING UNITS 1-6	30,831,591	3.3%	3.4%	1,017,443	1,048,274	30,831
	INTERCESSION CITY PEAKING UNITS 7-10	96,375,753	3.5%	3.5%	3,373,151	3,373,151	0
	INTERCESSION CITY PEAKING UNIT 11	25,982,521	3.7%	4.2%	961,353	1,091,266	129,913
	UNIVERSITY OF FLORIDA COGEN	44,568,043	5.3%	5.9%	2,362,106	2,629,515	267,409
	TIGER BAY COMBINED CYCLE	75,000,000	5.5%	6.0%	4,125,000	4,500,000	375,000
	HINES ENERGY COMBINED CYCLE	0		5.5%	0	0	0
	GAS CONVERSION PROJECTS (5 YR)	10,277,739	AMORT.	AMORT.	2,055,548	2,055,548	0
	<b>TOTAL OTHER PRODUCTION</b>	<b>539,468,703</b>			<b>24,345,535</b>	<b>25,773,016</b>	<b>1,427,479</b>
	<b>TRANSMISSION PLANT</b>						
350.1	EASEMENTS	32,893,388	1.7%	1.7%	559,188	559,188	0
352	STRUCTURES AND IMPROVEMENTS	16,190,211	2.1%	2.1%	339,994	339,994	0
353	STATION EQUIPMENT	313,772,600	2.3%	2.2%	7,216,770	6,902,997	(313,773)
353.1	ENERGY CONTROL CENTER	31,002,734	10.3%	10.4%	3,193,282	3,224,284	31,002
354	TOWERS AND FIXTURES	68,125,269	2.3%	2.3%	1,566,881	1,566,881	0
355	POLES AND FIXTURES	173,901,977	4.2%	4.0%	7,303,883	6,956,079	(347,804)
356	OVERHEAD CONDUCTOR AND DEVICES	168,913,724	3.3%	3.3%	5,574,153	5,574,153	0
357	UNDERGROUND CONDUIT	6,885,313	1.8%	1.8%	123,936	110,165	(13,771)
358	UNDERGROUND CONDUCTOR AND DEVICES	9,476,474	1.7%	1.7%	161,100	161,100	0
359	ROADS AND TRAILS	2,228,099	2.2%	2.0%	49,018	44,562	(4,456)
	<b>TOTAL TRANSMISSION</b>	<b>823,389,789</b>			<b>26,088,205</b>	<b>25,439,403</b>	<b>(648,802)</b>
	<b>DISTRIBUTION PLANT</b>						
360.1	EASEMENTS	367,354	1.7%	1.7%	6,245	6,245	0
361	STRUCTURES AND IMPROVEMENTS	15,897,389	2.0%	2.1%	317,948	333,845	15,897
362	STATION EQUIPMENT	288,487,842	2.2%	2.3%	6,346,733	6,635,220	288,487
364	POLES, TOWERS, AND FIXTURES	293,693,460	4.1%	3.9%	12,041,432	11,454,045	(587,387)
365	OVERHEAD CONDUCTOR AND DEVICES	341,054,259	4.8%	4.8%	16,370,604	16,370,604	0
366	UNDERGROUND CONDUIT	76,766,833	2.2%	2.2%	1,688,870	1,688,870	0
367	UNDERGROUND CONDUCTOR AND DEVICES	235,475,188	2.9%	2.8%	6,828,780	6,593,305	(235,475)
368	LINE TRANSFORMERS	317,589,775	4.7%	4.9%	14,926,719	15,561,899	635,180
369.1	OVERHEAD SERVICES	73,205,709	4.4%	4.4%	3,221,051	3,221,051	0
369.2	UNDERGROUND SERVICES	174,599,311	3.0%	3.0%	5,237,979	5,237,979	0
370	METERS	112,616,549	4.2%	4.1%	4,729,895	4,617,279	(112,616)
370.1	ENERGY CONSERVATION (5 YR)	8,816,085	AMORT.	AMORT.	1,763,217	1,763,217	0
371	INSTALLATIONS ON CUSTOMER'S PREMISES	3,768,173	5.9%	4.9%	222,322	184,640	(37,682)
372	LEASED PROPERTY ON CUST PREM	0	4.0%	4.0%	0	0	0
373	STREET LIGHTING AND SIGNAL SYSTEMS	132,018,691	7.7%	7.8%	10,165,439	10,297,548	132,019
	<b>TOTAL DISTRIBUTION</b>	<b>2,074,356,618</b>			<b>83,867,234</b>	<b>83,965,657</b>	<b>98,423</b>

\* DENOTES WHOLE LIFE RATE.  
 @ DENOTES COMPOSITE FOR ALL ACCOUNTS.

FLORIDA POWER CORPORATION  
 PRELIMINARY IMPLEMENTATION  
 COMPARISON OF DEPRECIATION ACCRUALS AS OF JANUARY 1, 1998  
 RETAIL JURISDICTIONAL METHODOLOGY

ACCOUNT NUMBER	ACCOUNT TITLE	ESTIMATED INVESTMENT	CURRENT APPRD. RATE	PRELIM. APPRVD. RATE	CURRENT ACCRUAL	PRELIMINARY APPRVD. ACCRUAL	DIFFERENCE (DECREASE)
<b>GENERAL PLANT</b>							
390	STRUCTURES AND IMPROVEMENTS	77,146,471	3.2%	3.4%	2,468,687	2,622,980	154,293
391.1	OFFICE FURNITURE (7 YR)	8,763,343	AMORT.	AMORT.	1,253,158	1,253,158	0
391.2	OFFICE EQUIPMENT (7 YR)	271,182	AMORT.	AMORT.	38,779	38,779	0
391.3	COMPUTER EQUIPMENT (5 YR)	61,507,727	AMORT.	AMORT.	0	0	0
391.5	DUPLICATING EQUIPMENT (7 YR)	2,495,950	AMORT.	AMORT.	356,921	356,921	0
393.1	MOTORIZED HANDLING EQUIPMENT (7 YR)	2,128,566	3.7%	AMORT.	78,757	304,385	225,628
393.2	STORAGE EQUIPMENT (7 YR)	355,476	AMORT.	AMORT.	50,833	50,833	0
393.3	PORTABLE HANDLING EQUIPMENT (7 YR)	18,341	AMORT.	AMORT.	2,623	2,623	0
394.1	TOOLS, SHOP, AND GARAGE EQUIPMENT (7 YR)	6,161,991	6.3%	AMORT.	388,205	881,165	492,960
394.2	PORTABLE TOOLS (7 YR)	473,003	AMORT.	AMORT.	67,639	67,639	0
395.1	STATIONARY LABORATORY EQUIPMENT (7 YR)		4.0%	AMORT.			
395.2	PORTABLE LABORATORY EQUIPMENT (7 YR)	5,636,913	AMORT.	AMORT.	806,079	806,079	0
396	POWER OPERATED EQUIPMENT	1,667,073	8.7%	6.1%	145,035	101,691	(43,344)
397.0	COMMUN. EQUIP. (NON-FIBER ADDITIONS) (7 YR)	0	7.7%	AMORT.	0	0	0
397.1	COMMUN. EQUIP. (EXISTING NON-FIBER) (7 YR)	26,863,943	7.7%	AMORT.	2,068,524	2,220,337	151,813
397.2	COMMUN. EQUIP. (FIBER OPTIC)	24,450,516	7.7%	7.7%	1,882,690	1,882,690	0
398.1	ENERGY CONSERVATION (5 YR)	3,502,988	AMORT.	AMORT.	700,598	700,598	0
398.2	MISCELLANEOUS EQUIPMENT (7 YR)	2,499,003	AMORT.	AMORT.	357,357	357,357	0
	<b>TOTAL GENERAL</b>	<b>223,942,486</b>			<b>10,666,885</b>	<b>11,647,235</b>	<b>981,350</b>
<b>TRANSPORTATION EQUIPMENT</b>							
392.1	CARS	1,895,761	16.0%	15.0%	303,322	284,364	(18,958)
392.2	LIGHT TRUCKS	9,449,303	10.6%	8.7%	1,001,626	822,089	(179,537)
392.3	HEAVY TRUCKS	10,868,024	5.4%	4.4%	586,873	478,193	(108,680)
392.4	SPECIAL EQUIPMENT	48,193,326	4.5%	4.9%	2,168,700	2,361,473	192,773
392.5	TRAILERS	4,089,252	3.1%	1.7%	126,767	69,517	(57,250)
392.6	AIRCRAFT (USED)	364,004	15.0%	0.0%	54,601	0	(54,601)
392.7	AIRCRAFT (NEW)	6,034,682	5.0%	3.6%	301,734	217,249	(84,485)
	<b>TOTAL TRANSPORTATION</b>	<b>80,894,352</b>			<b>4,543,623</b>	<b>4,232,885</b>	<b>(310,738)</b>
<b>INTANGIBLE</b>							
303	INTANGIBLE (5 YR)	12,882,731	AMORT.	AMORT.	2,576,546	2,576,546	0
303.1	CUSTOMER SERVICE SYSTEM (10 YR)	58,193,947	AMORT.	AMORT.	5,819,395	5,819,395	0
	<b>TOTAL INTANGIBLE</b>	<b>71,076,678</b>			<b>8,395,941</b>	<b>8,395,941</b>	<b>0</b>
	<b>TOTAL RATES AND AMORTIZATIONS</b>	<b>6,086,919,637</b>			<b>261,161,895</b>	<b>263,612,252</b>	<b>2,450,557</b>
<b>RECOVERY SCHEDULES</b>							
	SUWANNEE RIVER STEAM PLANT (4 YR)	30,796,659	5.2% @	AMORT.	1,614,882	1,813,813	198,931
	HIGGINS RETIREMENTS (1.5 YR REMAINING)	13,348,710	AMORT.	AMORT.	907,566	882,596	(24,970)
	TURNER RETIREMENTS (2.5 YEAR REMAINING)	14,201,178	AMORT.	AMORT.	1,012,391	976,154	(36,237)
	<b>TOTAL RECOVERY SCHEDULES</b>	<b>58,346,547</b>			<b>3,534,839</b>	<b>3,672,563</b>	<b>137,724</b>
	<b>TOTAL PLANT</b>	<b>6,145,266,184</b>			<b>264,696,534</b>	<b>267,284,815</b>	<b>2,588,281</b>

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