

**Ann Cole**

**From:** Chuck Hill  
**Sent:** Friday, January 08, 2010 1:57 PM  
**To:** Tim Devlin; Ann Cole; Carol Purvis; Curt Kiser; Mary Anne Helton; Commissioners Advisors; Jennifer Brubaker; Katherine Fleming  
**Cc:** Selena Chambers; Sharon Allbritton  
**Subject:** RE: Docket Nos. 090079-EI, 090144-EI, and 090145-EI,

Approved.

**From:** Tim Devlin  
**Sent:** Friday, January 08, 2010 1:15 PM  
**To:** Chuck Hill  
**Subject:** Docket Nos. 090079-EI, 090144-EI, and 090145-EI,

Staff requests permission to make an oral modification to its recommendation for Docket Nos. 090079-EI, 090144-EI, and 090145-EI, which the Commission will address at the January 11, 2010, Special Agenda Conference. Staff has discovered some errors in the PEF recommendation that effect Issues 12 (Table 12-1), 13 (Table 13-2), 14, and 15 (Table 15-1). Some inputs to the theoretical reserve calculation for the distribution accounts were inadvertently off one cell in our excel spreadsheet. Also, some accounts were inadvertently left off of Table 15-1. Correcting these errors results in a reserve imbalance of \$266.1 million rather than \$295.8 million for the distribution function shown in Table 14-1, and a total reserve imbalance of \$697.4 million rather than \$727.1 million.

Staff is attaching the pertinent corrected recommendation statements for Issues 12, 13, 14, and 15. Also, pertinent corrected tables with revisions highlighted are attached.

Staff would like to modify Issue 122 also to correct a scrivener's error, as shown below in legislative format. Hard copies will be available at Monday's Agenda Conference as well.

**Issue 28:**

What adjustments, if any, should be made to accumulated depreciation to reflect revised depreciation rates, capital recovery schedules, and amortization schedules resulting from PEF's depreciation study?

**Recommendation:**

Staff recommends that accumulated depreciation be reduced by \$~~56,741,252~~ ~~system~~ ~~46,549,627~~ ~~52,413,604~~ jurisdictional for the 2010 projected test year to reflect the revised depreciation rates, capital recovery schedules, and amortization schedules resulting from PEF's depreciation study. (Marsh, P. Lee)

**Issue 29:**

DOCUMENT NUMBER-DATE  
 30198 JAN-8 09  
 FPSC-COMMISSION CLERK

1/8/2010

Is PEF's requested level of Accumulated Depreciation and Amortization in the amount of \$4,437,117 for the 2010 projected test year appropriate?

**Recommendation:**

No. The appropriate Accumulated Depreciation and Amortization for the 2010 projected test year is ~~\$4,390,605,484~~ ~~\$4,384,741,507~~. This is a fallout issue. (Marsh, P. Lee)

**Issue 38:**

Is PEF's requested level of Rate Base in the amount of \$6,238,617,000 for the 2010 projected test year appropriate?

**Recommendation:**

No. The appropriate 13-month average rate base for the 2010 projected test year is ~~\$6,305,357,338~~ \$6,299,495,075. (Slemkewicz)

**Issue 39:**

What is the appropriate amount of accumulated deferred taxes to include in the capital structure for the projected test year?

**Recommendation:**

The appropriate amount of accumulated deferred taxes to include in the capital structure is ~~\$419,939,209~~ \$420,330,116. (Davis)

**Issue 40:**

What is the appropriate amount and cost rate of the unamortized investment tax credits to include in the capital structure for the projected test year?

**Recommendation:**

The appropriate amount of unamortized investment tax credit to include in PEF's capital structure is ~~\$3,894,637~~ ~~\$3,898,262~~ at a cost rate of 8.74 percent. (Davis)

**Issue 75:**

What adjustments, if any, should be made to the 2010 projected test year depreciation expense to reflect revised depreciation rates, capital recovery schedules, and amortization schedules resulting from PEF's depreciation study?

**Recommendation:**

Staff recommends that the 2010 projected test year depreciation expense be reduced by ~~\$124,115,709~~ ~~\$124,115,709~~ jurisdictional (~~\$138,786,891 system~~), to reflect revised depreciation rates, capital recovery

schedules, and amortization schedules resulting from PEF's depreciation study. (Marsh, P. Lee)

**Issue 76:**

What is the appropriate amount of depreciation and fossil dismantlement expense for the 2010 projected test year?

**Recommendation:**

The appropriate retail amount of depreciation expense is \$245,131,040 ~~\$233,768,932~~. The appropriate system annual provision for dismantlement is \$3,845,221, and the retail annual accrual amount is \$3,113,889. (Marsh, P. Lee, Springer)

**Issue 82:**

Should an adjustment be made to Income Tax expense for the test year?

**Recommendation:**

Yes. Total Income Tax expense should be increased by \$105,725,122 ~~\$110,041,251~~ resulting in a total income tax expense of \$148,668,122 ~~\$152,984,251~~ for the 2010 projected test year. (Davis, Slemkewicz)

**Issue 83:**

Is PEF's requested level of Operating Expenses in the amount of \$1,249,372,000 for the 2010 projected test year appropriate?

**Recommendation:**

No. The appropriate level of Operating Expenses for the 2010 projected test year is \$1,167,567,746 ~~\$1,160,521,768~~. (Slemkewicz)

**Issue 84:**

Is PEF's projected net operating income in the amount of \$268,546,000 for the 2010 projected test year appropriate?

**Recommendation:**

No. The appropriate Net Operating Income for the 2010 projected test year is \$482,451,254 ~~\$489,497,232~~. (Slemkewicz)

**Issue 87:**

Is PEF's requested annual operating revenue increase of \$499,997,000 for the 2010 projected test year appropriate?

**Recommendation:**

No. The appropriate annual operating revenue increase for the 2010 projected test year is \$58,812,571  
~~\$48,089,265~~. (Slemkewicz)

**Issue 122:**

Should ~~this~~ these dockets be closed?

**Recommendation:**

These dockets should be closed after the time for filing an appeal has run. (Fleming)

**Staff Analysis:**

These dockets should be closed 32 days after issuance of the order, to allow the time for filing an appeal to run.

Table 15-1: STAFF RECOMMENDED RESERVE ALLOCATIONS

	Book Reserve Est. 12/31/09 (\$)	Theoretical Reserve (\$)	Imbalance (\$)	Recommended Allocation (\$)	Allocated Reserve (\$)
PRODUCTION PLANT					
Anclote Steam					
312 Boiler Plant Equipment	76,215,849	64,643,696	11,572,153	(4,102,074)	72,113,775
314 Turbogenerator Units	62,869,369	66,971,443	(4,102,074)	4,102,074	66,971,443
Bartow Steam					
	(15,690,209)	0	(15,690,209)	15,690,209	0
Avon Park					
	(5,410,811)	0	(5,410,811)	5,410,811	0
Crystal River 1 & 2 Steam					
312 Boiler Plant Equipment	125,928,327	129,194,659	(3,266,332)	3,266,332	129,194,659
314 Turbogenerator Units	97,505,207	80,652,588	16,852,619	(3,266,332)	94,238,875
Crystal River 4 & 5 Steam					
311 Structures and Improvements	94,380,530	70,931,184	23,449,346	(6,602,228)	87,778,302
312 Boiler Plant Equipment	353,494,603	317,701,142	35,793,461	(16,397,008)	337,097,595
314 Turbogenerator Units	152,123,615	87,432,013	64,691,602	(5,044,194)	147,079,421
315 Accessory Electric Equipment	59,293,343	35,188,257	24,105,086	(1,470,314)	57,823,029
316 Misc. Power Plant Equipment	9,493,042	5,724,742	3,768,300	(467,491)	9,025,551
312 Crystal River 4 & 5 Upgrade	15,332,125	21,192,417	(5,860,292)	5,860,292	21,192,417
Suwannee River Steam					
311 Structures and Improvements	4,745,118	4,842,866	(97,748)	97,748	4,842,866
312 Boiler Plant Equipment	14,003,681	14,107,051	(103,370)	103,370	14,107,051
314 Turbogenerator Units	10,220,962	12,523,891	(2,302,929)	2,302,329	12,523,291
315 Accessory Electric Equipment	1,983,090	2,499,566	(516,476)	516,476	2,499,566
Crystal River Unit 3					
322 Reactor Plant Equipment	117,836,426	128,461,561	(10,625,135)	10,625,135	128,461,561
325 Misc. Power Plant Equipment	36,335,036	13,647,920	22,687,116	(13,246,624)	23,088,412
322 Crystal River Unit 3 Steam Gen. Ret.	(2,621,489)	0	(2,621,489)	2,621,489	0

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	Book Reserve Est. 12/31/09 (\$)	Theoretical Reserve (\$)	Imbalance (\$)	Recommended Allocation (\$)	Allocated Reserve (\$)
<b>PRODUCTION PLANT</b>					
<b>Avon Park Peaking</b>					
342 Fuel Holders, Prod. and Accessories	481,251	521,912	(40,661)	40,661	521,912
343 Prime Movers	4,726,338	4,768,751	(42,413)	42,413	4,768,751
344 Generators	1,667,410	1,288,579	378,831	(39,393)	1,628,017
346 Misc. Power Plant Equipment	101,380	57,699	43,681	(43,681)	57,699
<b>Bartow Peaking</b>					
342 Fuel Holders, Prod. and Accessories	1,083,322	1,105,444	(22,122)	22,122	1,105,444
343 Prime Movers	10,599,451	6,711,392	3,888,059	(91,128)	10,508,323
344 Generators	4,914,423	4,983,429	(69,006)	69,006	4,983,429
<b>Debary Peaking</b>					
341 Structures and Improvements	3,642,049	3,558,170	83,879	(83,879)	3,558,170
342 Fuel Holders, Prod. and Accessories	4,431,240	5,045,248	(614,008)	614,008	5,045,248
343 Prime Movers	19,428,389	18,776,338	652,051	(652,051)	18,776,338
344 Generators	6,295,677	7,119,836	(824,159)	824,159	7,119,836
345 Accessory Electric Equipment	3,608,765	4,375,471	(766,706)	766,706	4,375,471
346 Misc. Power Plant Equipment	380,148	422,416	(42,268)	42,268	422,416
<b>Debary Peaking P7-I (New)</b>					
341 Structures and Improvements	2,338,183	2,614,264	(276,081)	276,081	2,614,264
342 Fuel Holders, Prod. and Accessories	3,754,425	4,983,707	(1,229,282)	1,229,282	4,983,707
343 Prime Movers	32,719,600	35,779,435	(3,059,835)	3,059,835	35,779,435
344 Generators	9,180,736	10,453,448	(1,272,712)	1,272,712	10,453,448
345 Accessory Electric Equipment	2,565,188	2,885,535	(320,347)	320,347	2,885,535
346 Misc. Power Plant Equipment	474,257	373,402	100,855	(100,855)	373,402
<b>Higgins Peaking</b>					
341 Structures and Improvements	723,315	642,211	81,104	(81,104)	642,211
342 Fuel Holders, Prod. and Accessories	1,856,757	1,365,454	491,303	(491,303)	1,365,454
343 Prime Movers	10,370,006	7,971,142	2,398,864	(2,398,864)	7,971,142
344 Generators	2,659,824	2,216,028	443,796	(443,796)	2,216,028
345 Accessory Electric Equipment	2,363,230	2,044,372	318,858	(318,858)	2,044,372
346 Misc. Power Plant Equipment	153,915	83,166	70,749	(70,749)	83,166

Table 15-1: STAFF RECOMMENDED RESERVE ALLOCATIONS

	Book Reserve Est. 12/31/09 (\$)	Theoretical Reserve (\$)	Imbalance (\$)	Recommended Allocation (\$)	Allocated Reserve (\$)
<b>PRODUCTION PLANT</b>					
<b>Hines Energy Complex</b>					
341 Structures and Improvements	16,163,733	14,550,359	1,613,374	(1,613,374)	14,550,359
342 Fuel Holders, Prod. and Accessories	8,064,414	6,698,241	1,366,173	(1,366,173)	6,698,241
343 Prime Movers	67,537,783	49,799,172	17,738,611	(14,706,720)	52,831,063
344 Generators	23,270,877	14,920,999	8,349,878	(8,349,878)	14,920,999
345 Accessory Electric Equipment	8,245,010	6,715,562	1,529,448	(1,529,448)	6,715,562
346 Misc. Power Plant Equipment	1,966,999	1,105,697	861,302	(861,302)	1,105,697
<b>Hines Energy Complex Unit # 2</b>					
341 Structures and Improvements	5,894,406	9,615,694	(3,721,288)	3,721,288	9,615,694
342 Fuel Holders, Prod. and Accessories	1,185,395	2,884,597	(1,699,202)	1,699,202	2,884,597
343 Prime Movers	23,202,575	21,413,557	1,789,018	(1,789,018)	21,413,557
344 Generators	15,973,036	8,533,642	7,439,394	(7,439,394)	8,533,642
345 Accessory Electric Equipment	7,418,934	3,167,170	4,251,764	(4,251,764)	3,167,170
346 Misc. Power Plant Equipment	799,922	462,059	337,863	(337,863)	462,059
<b>Hines Energy Complex Unit # 3</b>					
341 Structures and Improvements	1,592,127	3,080,936	(1,488,809)	1,488,809	3,080,936
342 Fuel Holders, Prod. and Accessories	1,408,545	6,611,548	(5,203,003)	5,203,003	6,611,548
343 Prime Movers	26,408,999	42,351,473	(15,942,474)	15,942,474	42,351,473
344 Generators	7,457,674	15,294,750	(7,837,076)	7,837,076	15,294,750
345 Accessory Electric Equipment	3,398,685	5,862,020	(2,463,335)	2,463,335	5,862,020
346 Misc. Power Plant Equipment	395,458	420,209	(24,751)	24,751	420,209
<b>Hines Energy Complex Unit #4</b>					
341 Structures and Improvements	1,722,696	2,383,184	(660,488)	660,488	2,383,184
342 Fuel Holders, Prod. and Accessories	1,315,408	1,218,988	96,420	(96,420)	1,218,988
343 Prime Movers	16,700,578	14,993,301	1,707,277	(601,147)	16,099,431
344 Generators	220,582	297,811	(77,229)	77,229	297,811
345 Accessory Electric Equipment	2,027,644	2,104,421	(76,777)	76,777	2,104,421
346 Misc. Power Plant Equipment	277,827	160,900	116,927	(116,927)	160,900

Table 15-1: STAFF RECOMMENDED RESERVE ALLOCATIONS

	Book Reserve Est. 12/31/09	Theoretical Reserve	Imbalance	Recommended Allocation	Allocated Reserve
	(\$)	(\$)	(\$)	(\$)	(\$)
<b>PRODUCTION PLANT</b>					
Intercession City Peak # 11					
341 Structures and Improvements	589,330	622,159	(32,829)	32,829	622,159
342 Fuel Holders, Prod. and Accessories	686,299	716,547	(30,248)	30,248	716,547
343 Prime Movers	6,741,758	6,081,279	660,479	(350,504)	6,391,254
344 Generators	1,260,949	1,364,008	(103,059)	103,059	1,364,008
345 Accessory Electric Equipment	1,710,592	1,894,960	(184,368)	184,368	1,894,960
Intercession City Peak P1-P6					
341 Structures and Improvements	1,428,302	2,593,323	(1,165,021)	1,165,021	2,593,323
342 Fuel Holders, Prod. and Accessories	329,450	2,253,187	(1,923,737)	1,923,737	2,253,187
343 Prime Movers	6,640,334	16,997,925	(10,357,591)	10,357,591	16,997,925
344 Generators	1,696,408	3,453,769	(1,757,361)	1,757,361	3,453,769
345 Accessory Electric Equipment	1,242,287	2,273,880	(1,031,593)	1,031,593	2,273,880
Intercession City Peak P12-P14					
341 Structures and Improvements	959,878	387,972	571,906	(571,906)	387,972
342 Fuel Holders, Prod. and Accessories	3,031,543	1,633,775	1,397,768	(1,397,768)	1,633,775
343 Prime Movers	29,372,330	17,043,008	12,329,322	(11,476,675)	17,895,655
344 Generators	7,983,237	4,587,379	3,395,858	(1,757,361)	6,225,876
345 Accessory Electric Equipment	3,497,323	1,969,780	1,527,543	(1,031,593)	2,465,730
Turner Peaking					
342 Fuel Holders, Prod. and Accessories	1,920,928	2,529,788	(608,860)	608,860	2,529,788
343 Prime Movers	11,747,483	9,678,258	2,069,225	(790,421)	10,957,062
344 Generators	3,629,741	3,903,199	(273,458)	273,458	3,903,199
345 Accessory Electric Equipment	1,834,677	1,924,404	(89,727)	89,727	1,924,404
346 Misc. Power Plant Equipment	297,969	187,933	110,036	(80,567)	217,402
Rio Pinar Peaking					
342 Fuel Holders, Prod. and Accessories	331,204	336,004	(4,800)	4,800	336,004
343 Prime Movers	1,941,216	1,594,012	347,204	(119,291)	1,821,925
344 Generators	332,948	367,281	(34,333)	34,333	367,281
345 Accessory Electric Equipment	297,770	372,784	(75,014)	75,014	372,784
346 Misc. Power Plant Equipment	5,522	10,666	(5,144)	5,144	10,666



Table 15-1: STAFF RECOMMENDED RESERVE ALLOCATIONS

	Book Reserve Est. 12/31/09	Theoretical Reserve	Imbalance	Recommended Allocation	Allocated Reserve
	(\$)	(\$)	(\$)	(\$)	(\$)
<b>PRODUCTION PLANT</b>					
Suwannee Peaking					
342 Fuel Holders, Prod. and Accessories	2,146,015	2,218,473	(72,458)	72,458	2,218,473
343 Prime Movers	15,174,555	12,437,173	2,737,382	(20,648)	15,153,907
346 Misc. Power Plant Equipment	124,395	72,585	51,810	(51,810)	72,585
Total Production Plant Reserve Reallocations				0	
<b>DISTRIBUTION &amp; GENERAL PLANT</b>					
362 Station Equipment	126,465,254	94,355,541	32,109,713	(32,109,713)	94,355,541
365 Overhead Conductors & Devices	260,994,428	172,097,275	88,897,153	(3,221,612)	257,772,816
366 Underground Conduit	47,496,702	32,318,664	15,178,038	(12,104,083)	35,392,619
<del>367 Underground Conductors &amp; Devices</del>	<del>166,120,865</del>	<del>173,016,290</del>	<del>(6,895,425)</del>	<del>6,895,425</del>	<del>173,016,290</del>
370 Meters	(11,443,192)	32,770,604	(44,213,796)	44,213,796	32,770,604
396 Power Operated Equipment	(3,221,612)	0	(3,221,612)	3,221,612	0
Total Distribution & Plant Reserve Allocations				0	

Revised Table 13-2: Current Approved and Staff Recommended Parameters and Rates

ACCOUNT	CURRENT APPROVED*			STAFF RECOMMENDED			
	Average	Net	Remaining	Average	Net	Allocated	Remaining
	Remaining	Salvage	Life	Remaining	Salvage	Reserve	Life
	Life	(%)	Rate	Life	(%)	(%)	Rate
	(Yrs.)		(%)	(Yrs.)			(%)
<b>TRANSMISSION PLANT</b>							
350.10 Land Rights	33.0	0	1.21	53.0	0	35.50	1.2
352.00 Structures and Improvements	35.0	(15)	1.87	57.0	(15)	32.74	1.4
353.10 Station Equipment	29.0	0	1.78	43.0	0	22.00	1.8
353.20 Station Equipment-Station Control	5.0	0	0.90	7.2	0	91.80	1.1
354.00 Towers and Fixtures	27.0	(25)	1.72	31.0	(25)	84.19	1.3
355.00 Poles and Fixtures	22.0	(25)	2.72	29.0	(25)	30.46	3.3
356.00 Overhead Conductors and Devices	21.0	(30)	2.26	43.0	(20)	39.37	1.9
357.00 Underground Conduit	18.8	0	1.28	16.9	0	80.29	1.2
358.00 Underground Conductors & Devices	16.8	(3)	1.13	47.0	0	6.32	2.0
359.00 Roads and Trails	31.0	0	0.76	69.0	0	35.81	0.9
<b>DISTRIBUTION PLANT</b>							
360.10 Land Rights	31.0	0	1.19	67.0	0	7.64	1.4
361.00 Structures and Improvements	39.0	(5)	1.86	64.0	(10)	19.06	1.4
362.00 Station Equipment	27.0	(15)	2.57	51.0	(10)	18.20 **	1.8
364.00 Poles, Towers and Fixtures	20.0	(35)	3.86	18.8	(35)	55.95	4.2
365 Overhead Conductors and Devices	20.0	(15)	2.66	27.0	(20)	46.86	2.7
366.00 Underground Conduit	35.0	0	1.78	56.0	(5)	16.86 **	1.6
367.00 Underground Conductors and Devices	26.0	(5)	3.19	25.0	(5)	31.20 **	3.0
368.00 Line Transformers	15.2	(5)	3.38	21.0	(10)	49.31	2.9
369.10 Services-Overhead	24.0	(50)	2.86	15.4	(40)	77.64	4.0
369.20 Services-Underground	26.0	0	2.76	35.0	(5)	26.89	2.2
370.00 Meters	19.6	(8)	3.57	13.5	(8)	27.40 **	6.0
370.10 Meters-Energy Conservation	10.3	0	0.00				
371.00 Installation on Customers Premises	25.0	0	3.93	17.6	0	36.10	3.6
373.00 Street Lighting and Signal Systems	9.1	0	4.59	12.3	(5)	67.29	3.1
<b>GENERAL PLANT</b>							
389.00 Land Rights							
390.00 Structures and Improvements	26.0	0	3.48	17.8	10	24.00	3.7
391.00 Office Furniture and Equipment			14.30	7 Year Amortization			
Transportation Equipment							
392.10 Passenger Cars			8.70				8.70%
392.20 Light Trucks			8.70				8.70%
392.30 Heavy Trucks			4.80				4.80%
392.40 Special Trucks			5.00				5.00%
392.50 Trailers			1.70				1.70%
393.00 Stores Equipment			14.30	7 Year Amortization			
394.00 Tools, Shop and Garage Equipment			14.30	7 Year Amortization			
395.00 Laboratory Equipment			14.30	7 Year Amortization			
396.00 Power Operated Equipment			5.81				5.8
397.00 Communication Equipment			14.30	7 Year Amortization			
398.00 Miscellaneous Equipment			14.30	7 Year Amortization			

\* Order No. PSC-05-0945-S-EI, Docket No. 050078-EI.

\*\* Reserve after staff recommended reallocations.

Table 12-1: PRODUCTION PLANT LIFE AND SALVAGE COMPONENTS AND DEPRECIATION RATES

ACCOUNT	CURRENT APPROVED*			STAFF RECOMMENDED			
	Average Remaining Life	Net Salvage	Remaining Life Rate	Average Remaining	Net Salvage	Allocated Reserve	Remaining Life Rate
<b>STEAM PRODUCTION</b>							
<b>Anclote Steam</b>							
311 Structures and Improvements	15.0	(2.3)	3.24	16.7	(3.0)	71.51	1.9
312 Boiler Plant Equipment	14.5	(12.5)	3.34	16.5	(4.0)	68.16	** 2.2
314 Turbogenerator Units	14.5	(3.3)	2.31	16.1	(4.0)	58.92	** 2.8
315 Accessory Electric Equipment	14.5	(3.0)	1.99	16.7	(1.0)	74.68	1.6
316 Misc. Power Plant Equipment	13.4	(5.9)	2.21	15.4	(3.0)	77.64	1.6
<b>Crystal River 1 &amp; 2 Steam</b>							
311 Structures and Improvements	14.2	(2.3)	2.57	10.5	(3.0)	80.22	2.2
312 Boiler Plant Equipment	13.7	(12.5)	4.03	10.4	(4.0)	65.52	** 3.7
314 Turbogenerator Units	13.9	(3.3)	3.06	10.2	(1.0)	75.11	** 2.5
315 Accessory Electric Equipment	13.8	(3.0)	2.88	10.5	(3.0)	76.12	2.6
316 Misc. Power Plant Equipment	12.7	(5.9)	3.19	9.9	(3.0)	82.66	2.1
<b>Crystal River 4 &amp; 5 Steam</b>							
311 Structures and Improvements	17.0	(2.3)	3.39	33.0	(3.0)	53.96	** 1.5
312 Boiler Plant Equipment	16.1	(12.5)	2.83	33.0	(4.0)	22.49	** 2.5
314 Turbogenerator Units	16.2	(3.3)	2.14	31.0	(1.0)	70.82	** 1.0
315 Accessory Electric Equipment	16.4	(3.0)	2.78	33.0	(3.0)	71.65	** 1.0
316 Misc. Power Plant Equipment	15.0	(5.9)	3.27	28.0	(4.0)	44.78	** 2.1
<b>Suwannee River Steam</b>							
311 Structures and Improvements	11.9	(2.3)	1.45	3.5	(3.0)	94.95	** 2.3
312 Boiler Plant Equipment	11.6	(12.5)	2.96	3.5	(4.0)	93.15	** 3.1
314 Turbogenerator Units	11.7	(3.3)	1.13	3.5	(4.0)	93.85	** 2.9
315 Accessory Electric Equipment	11.8	(3.0)	0.98	3.5	(1.0)	91.90	** 2.6
316 Misc. Power Plant Equipment	10.9	(5.9)	1.71	3.4	(3.0)	93.01	2.9
<b>Bartow/Ancl. Pipeline</b>							
311 Structures and Improvements	14.8	(2.3)	3.07	16.4	(3.0)	73.18	1.8
312 Boiler Plant Equipment	14.8	(12.5)	4.10	16.4	(4.0)	62.05	2.6
315 Accessory Electric Equipment	15.1	(3.0)	2.78	16.4	(4.0)	81.77	1.4
316 Misc. Power Plant Equipment	13.6	(5.9)	5.20	15.1	(3.0)	52.27	3.4

\* Order No. PSC-05-0945-S-EI, Docket No. 050078-EI.

\*\* Reserve after staff recommended reallocations.

Table 12-1: PRODUCTION PLANT LIFE AND SALVAGE COMPONENTS AND DEPRECIATION RATES

ACCOUNT	CURRENT APPROVED*			STAFF RECOMMENDED			
	Average Remaining	Net Salvage	Remaining Life Rate	Average Remaining	Net Salvage	Allocated Reserve	Remaining Life Rate
	(Yrs.)	(%)	(%)	(Yrs.)	(%)	(%)	(%)
<b>Other Steam Production</b>							
311 Structures and Improvements		NA		73.0	(3)	0.00	1.4
312 Boiler Plant Equipment		NA		33.0	(4)	81.85	0.7
316 Misc. Power Plant Equipment		NA		28.0	(3)	0.00	3.7
<b>NUCLEAR PRODUCTION</b>							
<b>Crystal River #3</b>							
321 Structures and Improvements	30.1	(10.4)	1.78	26.0	(3)	65.09	1.5
322 Reactor Plant Equipment	27.6	(18.9)	2.24	24.0	(4)	24.80	** 3.3
323 Turbogenerator Units	16.2	(6.8)	2.97	23.0	(4)	76.38	1.2
324 Accessory Electric Equipment	29.3	(2.7)	1.26	26.0	(1)	64.13	1.4
325 Misc. Power Plant Equipment	8.6	(10.0)	5.54	22.0	(3)	66.32	** 1.7
<b>OTHER PRODUCTION</b>							
<b>Avon Park Peaking</b>							
341 Structures and Improvements	11.1	(0.6)	0.69	6.5	0	95.85	0.6
342 Fuel Holders, Prod. and Accessories	11.1	(6.3)	3.49	6.4	(1)	70.28	** 4.8
343 Prime Movers	11.7	(4.8)	1.32	6.4	0	80.80	** 3.0
344 Generators	12.1	(0.7)	2.68	6.4	0	99.66	** 0.1
345 Accessory Electric Equipment	11.6	(3.5)	1.46	6.4	(1)	98.03	0.5
346 Misc. Power Plant Equipment	11.3	(5.6)	1.80	6.5	(1)	80.20	** 3.2
<b>Bartow Peaking</b>							
341 Structures and Improvements	11.1	(0.6)	0.39	17.4	0	70.53	1.7
342 Fuel Holders, Prod. and Accessories	10.6	(6.3)	3.31	16.8	(1)	50.60	** 3.0
343 Prime Movers	11.7	(4.8)	3.31	16.4	0	74.40	** 1.6
344 Generators	11.8	(0.7)	0.42	16.9	0	64.51	** 2.1
345 Accessory Electric Equipment	11.1	(3.5)	0.27	16.9	(1)	70.68	1.8
346 Misc. Power Plant Equipment	11.6	(5.6)	4.28	17.2	(1)	93.77	0.4
<b>Bartow Combined Cycle</b>							
342 Fuel Holders, Prod. and Accessories	0.0	0.0	0.00	32.0	(1)	0.00	3.2
343 Prime Movers	0.0	0.0	0.00	30.0	0	0.00	3.3
<b>Bayboro Peaking</b>							
341 Structures and Improvements	12.1	(0.6)	2.90	19.4	0	80.13	1.0
342 Fuel Holders, Prod. and Accessories	11.4	(6.3)	2.66	18.6	(1)	45.32	3.0
343 Prime Movers	12.0	(4.8)	2.63	18.1	0	58.10	2.3
344 Generators	13.1	(0.7)	3.53	18.7	0	73.70	1.4
345 Accessory Electric Equipment	11.9	(3.5)	0.87	18.7	(1)	66.56	1.8
346 Misc. Power Plant Equipment	12.0	(5.6)	3.04	19.2	(1)	79.26	1.1

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\*\* Reserve after staff recommended reallocations.

Table 12-1: PRODUCTION PLANT LIFE AND SALVAGE COMPONENTS AND DEPRECIATION RATES

ACCOUNT	CURRENT APPROVED*			STAFF RECOMMENDED			
	Average Remaining	Net Salvage	Remaining Life Rate	Average Remaining	Net Salvage	Allocated Reserve	Remaining Life Rate
	(Yrs.)	(%)	(%)	(Yrs.)	(%)	(%)	(%)
<b>Debary Peaking</b>							
341 Structures and Improvements	14.5	(0.6)	2.71	10.5	0	71.65	** 2.7
342 Fuel Holders, Prod. and Accessories	13.0	(6.3)	2.33	10.3	(1)	74.22	** 2.6
343 Prime Movers	12.3	(4.8)	3.39	10.1	0	69.70	** 3.0
344 Generators	15.4	(0.7)	1.45	10.3	0	75.28	** 2.4
345 Accessory Electric Equipment	14.2	(3.5)	1.63	10.3	(1)	75.25	** 2.5
346 Misc. Power Plant Equipment	14.2	(5.6)	2.98	10.4	(1)	66.68	** 3.3
<b>Debary Peaking P7-1 (New)</b>							
341 Structures and Improvements	18.3	(0.6)	3.57	13.5	0	55.45	** 3.3
342 Fuel Holders, Prod. and Accessories	16.5	(6.3)	4.48	13.1	(1)	48.60	** 4.0
343 Prime Movers	14.8	(4.8)	4.43	12.8	0	52.64	** 3.7
344 Generators	18.7	(0.7)	3.71	13.1	0	56.77	** 3.3
345 Accessory Electric Equipment	18.0	(3.5)	3.80	13.1	(1)	56.46	** 3.4
346 Misc. Power Plant Equipment	17.7	(5.6)	4.94	13.4	(1)	44.72	** 4.2
<b>Higgins Peaking</b>							
341 Structures and Improvements	11.3	(0.6)	0.20	6.5	0	81.15	** 2.9
342 Fuel Holders, Prod. and Accessories	10.9	(6.3)	5.57	6.4	(1)	66.44	** 5.4
343 Prime Movers	11.4	(4.8)	1.00	6.4	0	81.44	** 2.9
344 Generators	11.8	(0.7)	0.20	6.4	0	84.00	** 2.5
345 Accessory Electric Equipment	11.6	(3.5)	0.00	6.4	(1)	79.88	** 3.3
346 Misc. Power Plant Equipment	11.6	(5.6)	3.90	6.5	(1)	71.10	** 4.6
<b>Hines Energy Complex</b>							
341 Structures and Improvements	24.1	(0.6)	2.15	23.0	0	33.30	** 2.9
342 Fuel Holders, Prod. and Accessories	20.8	(6.3)	4.73	22.0	(1)	30.60	** 3.2
343 Prime Movers	23.0	(4.8)	3.18	21.0	0	32.57	** 3.2
344 Generators	24.9	(0.7)	3.35	23.0	0	33.30	** 2.9
345 Accessory Electric Equipment	23.6	(3.5)	2.59	22.0	(1)	30.60	** 3.2
346 Misc. Power Plant Equipment	22.5	(5.6)	4.03	23.0	(1)	29.70	** 3.1
<b>Hines Energy Complex Unit # 2</b>							
341 Structures and Improvements	20.1	(0.6)	3.57	27.0	0	21.70	** 2.9
342 Fuel Holders, Prod. and Accessories	0.0	(6.3)	4.73	26.0	(1)	17.80	** 3.2
343 Prime Movers	19.5	(4.8)	4.12	25.0	0	17.50	** 3.3
344 Generators	28.2	(0.7)	3.62	27.0	0	21.70	** 2.9
345 Accessory Electric Equipment	27.7	(3.5)	3.79	26.0	(1)	17.80	** 3.2
346 Misc. Power Plant Equipment	25.7	(5.6)	4.18	27.0	(1)	17.30	** 3.1

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\*\* Reserve after staff recommended reallocations.

Table 12-1: PRODUCTION PLANT LIFE AND SALVAGE COMPONENTS AND DEPRECIATION RATES

ACCOUNT	CURRENT APPROVED*			STAFF RECOMMENDED			
	Average Remaining	Net Salvage	Remaining Life Rate	Average Remaining	Net Salvage	Allocated Reserve	Remaining Life Rate
	(Yrs.)	(%)	(%)	(Yrs.)	(%)	(%)	(%)
<b>Hines Energy Complex Unit # 3</b>							
341 Structures and Improvements	0.0	(0.6)	3.57	24.0	0	30.40	** 2.9
342 Fuel Holders, Prod. and Accessories	0.0	(6.3)	4.73	23.0	(1)	27.40	** 3.2
343 Prime Movers	0.0	(4.8)	4.16	22.0	0	27.40	** 3.3
344 Generators	0.0	(0.7)	3.66	24.0	0	30.40	** 2.9
345 Accessory Electric Equipment	0.0	(3.5)	3.87	23.0	(1)	27.40	** 3.2
346 Misc. Power Plant Equipment	0.0	(5.6)	4.15	24.0	(1)	26.60	** 3.1
<b>Hines Energy Complex Unit # 4</b>							
341 Structures and Improvements	0.0	(0.6)	3.57	31.0	0	10.10	** 2.9
342 Fuel Holders, Prod. and Accessories	0.0	(6.3)	4.73	29.0	(1)	8.20	** 3.2
343 Prime Movers	0.0	(4.8)	4.16	28.0	0	8.16	** 3.3
344 Generators	0.0	(0.7)	3.86	31.0	0	10.10	** 2.9
345 Accessory Electric Equipment	0.0	(3.5)	3.87	29.0	(1)	8.20	** 3.2
346 Misc. Power Plant Equipment	0.0	(5.6)	4.15	31.0	(1)	4.89	** 3.1
<b>Intercession City Peak # 11</b>							
341 Structures and Improvements	17.9	(0.6)	4.13	12.5	0	50.00	** 4.0
342 Fuel Holders, Prod. and Accessories	16.1	(6.3)	5.12	12.1	(1)	47.76	** 4.4
343 Prime Movers	16.9	(4.8)	4.68	11.9	0	45.07	** 4.6
344 Generators	17.9	(0.7)	4.15	12.2	0	51.20	** 4.0
345 Accessory Electric Equipment	17.7	(3.5)	4.32	12.2	(1)	52.20	** 4.0
346 Misc. Power Plant Equipment	16.9	(5.6)	5.67	12.4	(1)	54.06	3.8
<b>Intercession City Peak P1-P6</b>							
341 Structures and Improvements	14.0	(0.6)	2.95	10.5	0	69.55	** 2.9
342 Fuel Holders, Prod. and Accessories	12.8	(6.3)	3.39	10.3	(1)	33.02	** 6.6
343 Prime Movers	14.0	(4.8)	2.63	10.1	0	72.73	** 2.7
344 Generators	14.7	(0.7)	2.38	10.3	0	73.22	** 2.6
345 Accessory Electric Equipment	14.2	(3.5)	2.63	10.3	(1)	69.07	** 3.1
346 Misc. Power Plant Equipment	14.3	(5.6)	5.60	10.4	(1)	43.73	5.5
<b>Intercession City Peak P12-P14</b>							
341 Structures and Improvements	22.6	(0.6)	10.69	26.0	0	27.20	** 2.8
342 Fuel Holders, Prod. and Accessories	19.8	(6.3)	5.34	25.0	(1)	26.00	** 3.0
343 Prime Movers	21.0	(4.8)	4.90	24.0	0	29.40	** 2.9
344 Generators	22.6	(0.7)	4.00	25.0	0	37.32	** 2.5
345 Accessory Electric Equipment	22.3	(3.5)	4.73	25.0	(1)	35.68	** 2.6
346 Misc. Power Plant Equipment	21.0	(5.6)	0.00	33.0	(1)	0.00	3.1

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\*\* Reserve after staff recommended reallocations.

Table 12-1: PRODUCTION PLANT LIFE AND SALVAGE COMPONENTS AND DEPRECIATION RATES

ACCOUNT	CURRENT APPROVED*			STAFF RECOMMENDED			
	Average Remaining	Net Salvage	Remaining Life Rate	Average Remaining	Net Salvage	Allocated Reserve	Remaining Life Rate
	(Yrs.)	(%)	(%)	(Yrs.)	(%)	(%)	(%)
<b>Intercession City Peak P7-P10</b>							
341 Structures and Improvements	19.2	(0.6)	3.59	21.0	0	46.62	2.5
342 Fuel Holders, Prod. and Accessories	17.1	(6.3)	4.56	20.0	(1)	44.40	2.8
343 Prime Movers	18.4	(4.8)	4.52	19.8	0	49.01	2.6
344 Generators	19.7	(0.7)	3.72	21.0	0	46.56	2.5
345 Accessory Electric Equipment	19.0	(3.5)	3.39	21.0	(1)	47.59	2.5
346 Misc. Power Plant Equipment	18.5	(5.6)	4.73	21.0	(1)	53.42	2.3
<b>Rio Pinar Peaking</b>							
341 Structures and Improvements	11.5	(0.6)	1.46	6.5	0	79.15	3.2
342 Fuel Holders, Prod. and Accessories	10.8	(6.3)	1.13	6.4	(1)	75.40	** 4.0
343 Prime Movers	11.7	(4.8)	2.46	6.4	0	85.04	** 2.3
344 Generators	11.6	(0.7)	0.00	6.4	0	85.28	** 2.3
345 Accessory Electric Equipment	11.7	(3.5)	0.89	6.4	(1)	74.12	** 4.2
346 Misc. Power Plant Equipment	11.6	(5.6)	1.94	6.5	(1)	45.10	** 8.6
<b>Suwannee River Peaking</b>							
341 Structures and Improvements	13.0	(0.6)	1.61	14.4	0	81.49	1.3
342 Fuel Holders, Prod. and Accessories	12.4	(6.3)	3.20	14.0	(1)	54.80	** 3.3
343 Prime Movers	13.2	(4.8)	2.12	13.7	0	81.78	** 1.3
344 Generators	13.7	(0.7)	1.38	14.1	0	80.23	1.4
345 Accessory Electric Equipment	13.0	(3.5)	1.73	14.1	(1)	74.99	1.8
346 Misc. Power Plant Equipment	13.4	(5.6)	4.29	14.3	(1)	55.24	** 3.2
<b>Tiger Bay Cogen</b>							
341 Structures and Improvements	20.6	(0.6)	2.82	28.0	0	52.52	1.7
342 Fuel Holders, Prod. and Accessories	18.3	(6.3)	4.73	27.0	(1)	51.31	1.8
343 Prime Movers	19.3	(4.8)	2.54	26.0	0	63.90	1.4
344 Generators	20.7	(0.7)	4.20	27.0	0	52.03	1.8
345 Accessory Electric Equipment	20.2	(3.5)	2.19	27.0	(1)	45.19	2.1
346 Misc. Power Plant Equipment	19.3	(5.6)	4.33	28.0	(1)	61.80	1.4
<b>Turner Peaking</b>							
341 Structures and Improvements	12.3	(0.6)	3.20	6.5	0	87.21	2.0
342 Fuel Holders, Prod. and Accessories	11.2	(6.3)	1.83	6.4	(1)	81.80	** 3.0
343 Prime Movers	12.4	(4.8)	2.74	6.4	0	92.20	** 1.2
344 Generators	12.8	(0.7)	0.90	6.4	0	84.64	** 2.4
345 Accessory Electric Equipment	12.5	(3.5)	2.23	6.4	(1)	81.80	** 3.0
346 Misc. Power Plant Equipment	12.6	(5.6)	4.82	6.5	(1)	87.51	2.1

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	Average Remaining	Net Salvage	Remaining Life Rate	Average Remaining	Net Salvage	Allocated Reserve	Remaining Life Rate
	(Yrs.)	(%)	(%)	(Yrs.)	(%)	(%)	(%)
<b>University of Fla Cogen</b>							
341 Structures and Improvements	12.2	(0.6)	5.05	23.0	0	59.46	1.8
342 Fuel Holders, Prod. and Accessories	11.4	(6.3)	6.74	22.0	(1)	55.94	2.0
343 Prime Movers	11.8	(4.8)	6.87	22.0	0	44.21	2.5
344 Generators	12.2	(0.7)	5.11	22.0	0	59.66	1.8
345 Accessory Electric Equipment	12.1	(3.5)	5.45	22.0	(1)	59.35	1.9
346 Misc. Power Plant Equipment	11.7	(5.6)	5.96	23.0	(1)	66.12	1.5
<b>Other Peaking</b>							
346 Misc. Power Plant Equipment	31.8	(5.6)	3.52	28.0	(1)	58.76	1.5

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