

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Petition of Duke Energy Florida, LLC,
For Approval of Depreciation Rates for Solar
Photovoltaic Generating Units**

DOCKET NO. _____

FILED: January 11, 2016

**DUKE ENERGY FLORIDA, LLC'S PETITION FOR
APPROVAL OF DEPRECIATION RATES
FOR SOLAR PHOTOVOLTAIC GENERATING UNITS**

Duke Energy Florida, LLC, ("DEF" or "the Company"), pursuant to Section 366.04, Florida Statutes and Rule No. 25-6.0436(2)(a), Florida Administrative Code, petitions for Florida Public Service Commission ("PSC" or the "Commission") approval to begin depreciating new solar photovoltaic generating units and associated equipment over a 30-year period effective with the in-service dates of such units and, in support thereof, says:

1. DEF is an investor-owned electric utility regulated by the Commission, and is a wholly owned subsidiary of Duke Energy Corporation. The Company's principal place of business is located at 299 1st Avenue North, St. Petersburg, Florida 33701.

2. DEF serves approximately 1.7 million retail customers in Florida. Its service area comprises approximately 20,000 square miles in 35 of the state's 67 counties, encompassing the densely populated areas of Pinellas and western Pasco Counties and the Greater Orlando area in Orange, Osceola, and Seminole Counties. DEF supplies electricity at retail to approximately 350 communities and at wholesale to Florida municipalities, utilities, and power agencies.

3. The persons to whom all notices and other documents should be served in connection with this docket are:

Matthew R. Bernier
106 East College Avenue

Dianne M. Triplett
299 First Avenue North

Suite 800
Tallahassee, Florida 32301
matthew.bernier@duke-energy.com

St. Petersburg, Florida 33701
dianne.triplett@duke-energy.com

4. DEF is seeking depreciation rates at this time to apply to solar photovoltaic generating units and associated equipment at solar facilities that it is constructing in Taylor County, Florida (Perry Solar Facility) and Osceola County, Florida (Osceola Solar Facility) and to such other solar photovoltaic generating units that may be constructed in the future. Performance warranties from vendors of the equipment being utilized for the facilities, as well as information from industry groups, generate an estimated design life of 30 years.

5. The Perry Solar Facility involves construction of a 5.1MW photovoltaic system located on Company owned land in the DEF territory. The Osceola Solar Facility involves construction of a 3.8MW photovoltaic system located on Company owned land in the DEF territory. For both facilities, DEF will own all equipment associated with the facility and the energy output. Other solar photovoltaic projects may be considered and constructed in the future.

6. In Docket No. 080543-EI, Order No. PSC-08-0731-PAA-EI and Docket No. 150211-EI, Order No. PSC-15-0573-PAA-EI, the PSC adopted a 30-year life with zero net salvage for comparable solar photovoltaic generating units for Florida Power & Light Company and Tampa Electric Company, respectively. In both Orders, the resulting 3.3 percent depreciation rate was authorized to be used for subaccounts 303 (Intangible Plant), 341 (Structures and Improvements), 343 (Other Generation Plant), and 345 (Accessory Electric Plant). DEF believes that the 3.3 percent rate applies to these same subaccounts, as well as 344 (Generators), for the facilities under construction.

7. DEF is currently evaluating the retirement unit structure that it will employ and will file the retirement units used in the Report of Retirement Units filed with the next Annual Status Report. Additionally, these facilities will be included in the next depreciation study prepared and filed by DEF, which will be completed on or before March 31, 2019.

8. DEF is not aware of any disputed issue of material fact relating to the matters stated herein.

WHEREFORE, Duke Energy Florida, LLC, respectfully requests the Commission to approve the new depreciation rates for solar photovoltaic generating units and associated equipment, effective March 15, 2016.

DATED this 11th day of January, 2016.

Respectfully submitted,

/s/ Dianne M. Triplett

DIANNE M. TRIPLETT
Associate General Counsel
DUKE ENERGY FLORIDA, LLC
Post Office Box 14042
St. Petersburg, Florida 33733-4042
Telephone: (727) 820-4692
Facsimile: (727) 820-5041
Email: dianne.triplett@duke-energy.com