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**Florida
Power**
CORPORATION

JAMES A. MCGEE
SENIOR COUNSEL

April 16, 1997

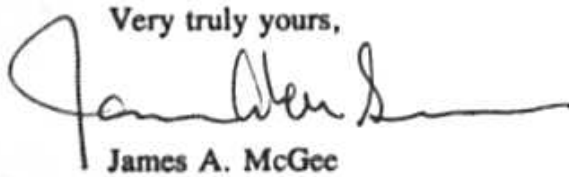
Ms. Planca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. **970096-EQ**

Dear Ms. Bayó:

Enclosed for filing in the subject docket are an original and fifteen copies of Florida Power Corporation's Supplemental Stipulation.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above-referenced document in WordPerfect format. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

- ACK 1
- AFA
- APP
- CAF
- CMU
- CTR
- EAG
- LEG 2
- LIN 5
- OPC
- RCH
- SEC 1
- WAS
- OTH

JAM/kp
Enclosure
cc: Parties of Record

DOCUMENT NUMBER-DATE

GENERAL OFFICE

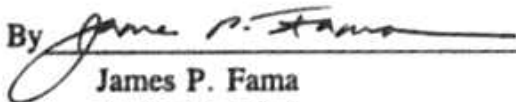
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FLORIDA POWER CORPORATION SUPPLEMENTAL STIPULATION

In addition to the matters stipulated to by Florida Power in the April 14, 1997 Stipulation entered into among Florida Power, Office of Public Counsel and FIPUG in this case (the Stipulation), Florida Power Corporation further stipulates and agrees as follows:

1. All future Materials and Supplies for the Tiger Bay facility acquired by Florida Power after closing the Tiger Bay purchase shall be recorded in Account 154 and included in working capital for surveillance reporting purposes.
2. Deferred taxes associated with the Tiger Bay acquisition shall be reflected in Florida Power's capital structure for surveillance reporting purposes.
3. Fossil dismantlement accruals for the Tiger Bay facility of \$241,000 for 1995, \$253,000 for 1996 and \$266,000 for 1997 will be recorded in 1997 subsequent to closing the Tiger Bay purchase.
4. For depreciation purposes, the Tiger Bay facility shall have the following characteristics:
 - Average service life = 20 years
 - Average remaining life at closing = 18 years
 - Net salvage = negative 10%
 - Depreciation rate = 5.5%
5. Other than the Tiger Bay Regulatory Asset, as defined in the Stipulation, all non-fuel costs associated with the acquisition and operation of the Tiger Bay facility (operation and maintenance expenses, taxes, site lease payments, insurance, rate base investment and the carrying costs of the deferred taxes) will be initially absorbed by Florida Power's existing base rates and included as utility expenses for surveillance reporting purposes.

FLORIDA POWER CORPORATION

By 
James P. Fama
April 16, 1997

DOCUMENT NUMBER-DATE

03864 APR 16 97

FPSC-RECORDS/REPORTING

CERTIFICATE OF SERVICE

Docket No. 970096-EQ

I HEREBY CERTIFY that a true and correct copy of Supplemental Stipulation has been sent by regular U.S. mail to the following individuals on April 16, 1997:

Jack Shreve
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400

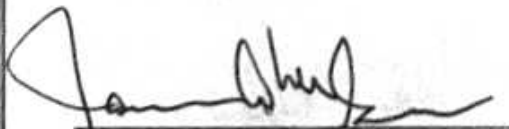
Lorna R. Wagner, Esquire
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