

CONSOLIDATED FLORIDA POWER & LIGHT
COST RECOVERY CLAUSES
FORECASTED 2022 CONSOLIDATED @10.55%

CAPITAL STRUCTURE AND COST RATES (a)

	Adjusted Retail	Ratio	Midpoint Cost Rates	Weighted Cost	Pre-Tax Weighted Cost
Long term debt	17,415,345,338	31.374%	3.61%	1.1311%	1.13%
Short term debt	654,983,828	1.180%	0.94%	0.0111%	0.01%
Preferred stock	0	0.000%	0.00%	0.0000%	0.00%
Customer Deposits	455,338,901	0.820%	2.03%	0.0167%	0.02%
Common Equity (b)	26,665,503,451	48.039%	10.55%	5.0681%	6.79%
Deferred Income Tax	9,267,598,436	16.696%	0.00%	0.0000%	0.00%
Investment Tax Credits					
Zero cost	0	0.000%	0.00%	0.0000%	0.00%
Weighted cost	1,049,225,596	1.890%	7.81%	0.1476%	0.19%
TOTAL	\$55,507,995,549	100.00%		6.3745%	8.14%

CALCULATION OF THE WEIGHTED COST FOR CONVERTIBLE INVESTMENT TAX CREDITS (C-ITC)

	Adjusted Retail	Ratio	Cost Rate	Weighted Cost	Pre-Tax Cost
Long term debt	\$17,415,345,338	39.51%	3.605%	1.424%	1.424%
Preferred Stock	0	0.00%	0.00%	0.000%	0.000%
Common Equity	26,665,503,451	60.49%	10.550%	6.382%	8.549%
TOTAL	\$44,080,848,789	100.00%		7.806%	9.973%

RATIO

DEBT COMPONENTS:

LONG TERM DEBT	1.1311%
SHORT TERM DEBT	0.0111%
CUSTOMER DEPOSITS	0.0167%
TAX CREDITS -WEIGHTED	0.0269%
TOTAL DEBT	1.1858%

EQUITY COMPONENTS:

PREFERRED STOCK	0.0000%
COMMON EQUITY	5.0681%
TAX CREDITS -WEIGHTED	0.1206%
TOTAL EQUITY	5.1888%
TOTAL	6.3745%
PRE-TAX EQUITY	6.9503%
PRE-TAX TOTAL	8.1361%

Note:

(a) Forecasted capital structure includes a deferred income tax proration adjustment consistent with FPSC Order No. PSC-2020-0165-PAA-EU, Docket No. 20200118-EU.

(b) Cost rate for common equity represents FPL's mid-point return on equity approved by the FPSC in Order No. PSC-16-0560-AS-EI, Docket Nos. 160021-EI, 160061-EI, 160062-EI, and 160088-EI.