



Florida Power & Light Company, 700 Universe Blvd, Juno Beach FL. 33408-0420

May 15, 2019

Mr. Bart Fletcher
Public Utilities Supervisor
Division of Accounting and Finance
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Dear Mr. Fletcher:

Enclosed is Florida Power & Light Company's Rate of Return Surveillance Report to the Florida Public Service Commission for March 2019. This report was prepared using a thirteen-month average and year-end rate base and adjustments consistent with Docket Nos. 160021-EI, 160061-EI, 160062-EI and 160088-EI, Order No. PSC-16-0560-AS-EI. The required rate of return was calculated using the return on common equity as authorized in the aforementioned docket and order. The return on common equity is 11.60%.

This report was prepared consistent with the guidelines provided in Commission Form PSC/AFA 14.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jason Chin', is written over a horizontal line.

Jason Chin
Sr. Manager of Regulatory Accounting

Enclosures

Copy: J. R. Kelly, Office of Public Counsel

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
MARCH, 2019

SCHEDULE 1: PAGE 1 OF 1

	ACTUAL PER BOOKS	FPSC ADJUSTMENTS	FPSC ADJUSTED	PRO FORMA ADJUSTMENTS	PRO FORMA ADJUSTED
<u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,744,388,281 (A)	(228,014,002) (B)	2,516,374,279	26,057,869	\$ 2,542,432,148
RATE BASE	\$ 36,855,000,640	(82,924,947)	36,772,075,693	0	\$ 36,772,075,693
AVERAGE RATE OF RETURN	7.45%		6.84%		6.91%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,744,388,281 (A)	(219,613,385) (B)	2,524,774,896	26,057,869	\$ 2,550,832,765
RATE BASE	\$ 38,259,704,897	882,405,221	39,142,110,118	0	\$ 39,142,110,118
YEAR END RATE OF RETURN	7.17%		6.45%		6.52%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)

LOW	5.90%
MIDPOINT	6.35%
HIGH	6.85%

IV. FINANCIAL INTEGRITY INDICATORS

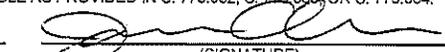
A. TIMES INTEREST EARNED WITH AFUDC	5.99	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	5.78	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	4.92%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	80.44%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	36.45%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	2.45%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.60%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	11.75%	(PROFORMA ADJUSTED)

NOTE: THIS REPORT HAS BEEN PREPARED USING A THIRTEEN MONTH AVERAGE AND END OF PERIOD RATE BASE AND ADJUSTMENTS CONSISTENT WITH DOCKET NO. 160021-EL, ORDER NO. PSC-16-0560-AS-EL. THIS REPORT DOES NOT NECESSARILY REPRESENT THE OPINION OF THE COMPANY AS TO THE ACTUAL EARNED RATE OF RETURN FOR THE PERIOD COVERED.

I AM AWARE THAT SECTION 837.06, FLORIDA STATUTES, PROVIDES:

WHOEVER KNOWINGLY MAKES A FALSE STATEMENT IN WRITING WITH THE INTENT TO MISLEAD A PUBLIC SERVANT IN THE PERFORMANCE OF HIS OFFICIAL DUTY SHALL BE GUILTY OF A MISDEMEANOR OF THE SECOND DEGREE, PUNISHABLE AS PROVIDED IN S. 775.082, S. 775.083, OR S. 775.084.

KEITH FERGUSON
(VICE PRESIDENT ACCOUNTING AND CONTROLLER)


(SIGNATURE)
FOR KEITH FERGUSON

5/15/2019
(DATE)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
MARCH, 2019

SCHEDULE 2: PAGE 1 OF 3

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 49,180,913,639	15,514,852,142	33,666,061,496	385,690,818	3,713,391,827	598,077,518	38,363,221,660	(24,880,603)	\$ 38,338,341,056
JURISDICTIONAL PER BOOKS	\$ 47,180,276,683	12,371,425,170	34,808,851,513	365,577,089	3,526,192,191	568,610,562	39,269,231,356	(2,414,230,716)	\$ 36,855,000,640
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,187,338,334)	(665,125,073)	(1,522,213,261)	0	(2,090,965,437)	0	(3,613,178,698)	3,530,253,751	\$ (82,924,947)
FPSC ADJUSTED:	\$ 44,992,938,349	11,706,300,097	33,286,638,252	365,577,089	1,435,226,754	568,610,562	35,656,052,658	1,116,023,035	\$ 36,772,075,693
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 44,992,938,349	11,706,300,097	33,286,638,252	365,577,089	1,435,226,754	568,610,562	35,656,052,658	1,116,023,035	\$ 36,772,075,693

NOTE:

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL OF THE PROFORMA ADJUSTMENTS THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
MARCH, 2019

SCHEDULE 2: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,577,709,814	3,316,901,253	1,355,212,718	2,270,239,168	1,312,132,519	455,239,442	26,585,550	96,075,414	(6,087,519)	8,826,298,544	\$ 2,751,411,269
JURISDICTIONAL PER BOOKS	\$ 11,128,128,324	3,149,045,190	1,310,074,730	2,201,755,981	1,291,654,051	434,352,512	23,470,125	92,577,660	(6,087,503)	8,496,842,746	\$ 2,631,285,578
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (480,177,539)	0	0	0	(12,350,166)	(118,570,848)	0	0	0	(130,921,014)	\$ (349,256,525)
FRANCHISE EXPENSE	0	0	0	0	(468,340,511)	118,700,902	0	0	0	(349,639,608)	349,639,608
GROSS RECEIPTS TAX	(254,518,516)	0	0	0	(254,260,088)	(65,499)	0	0	0	(254,325,586)	(192,929)
FINANCIAL PLANNING SERVICES	0	0	(466,328)	0	0	118,191	0	0	0	(348,137)	348,137
INDUSTRY ASSOCIATION DUES	0	0	(2,275,487)	0	0	576,722	0	0	0	(1,698,765)	1,698,765
ECONOMIC DEVELOPMENT 5%	0	0	(148,938)	0	0	37,748	0	0	0	(111,190)	111,190
AVIATION - EXPENSES	0	0	(168,260)	0	0	42,645	0	0	0	(125,614)	125,614
EXECUTIVE COMPENSATION	0	0	(35,947,472)	0	0	9,110,887	0	0	0	(26,836,586)	26,836,586
FUEL COST REC RETAIL	(2,982,123,528)	(2,968,438,093)	(184,269)	52,307	(2,103,245)	44,197,683	(47,099,743)	0	0	(2,973,575,361)	(8,548,168)
CONSERVATION COST RECOVERY	(56,989,916)	0	(44,218,339)	(9,968,409)	(1,061,321)	(440,754)	(717)	0	0	(55,689,541)	(1,300,375)
CAPACITY COST RECOVERY	(256,440,156)	(161,218,226)	(28,325,609)	(810,001)	(318,992)	(15,044,826)	(1,623,903)	0	0	(207,341,557)	(49,098,599)
ENVIRONMENTAL COST RECOVERY	(175,561,313)	0	(31,472,696)	(41,584,567)	(274,301)	(16,374,823)	(9,535,390)	0	326	(99,241,451)	(76,319,862)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(508,455)	0	128,868	0	0	0	(379,587)	379,587
STORM DEFICIENCY RECOVERY	(95,515,579)	0	28,748,518	(121,797,870)	0	(625,065)	0	0	0	(93,674,417)	(1,841,162)
INTEREST TAX DEFICIENCIES	0	0	343,713	0	0	(87,114)	0	0	0	256,599	(256,599)
INTEREST SYNCHRONIZATION	0	0	0	0	0	13,135,283	(5,898,716)	0	0	7,236,567	(7,236,567)
TOTAL FPSC ADJUSTMENTS	\$ (4,301,326,548)	(3,129,656,320)	(114,115,168)	(174,616,995)	(738,708,625)	34,840,001	(64,158,468)	0	326	(4,186,415,249)	\$ (114,911,299)
FPSC ADJUSTED	\$ 6,826,801,777	19,388,870	1,195,959,562	2,027,138,986	552,945,426	469,192,513	(40,688,343)	92,577,660	(6,087,177)	4,310,427,498	\$ 2,516,374,279
PRO FORMA ADJUSTMENTS											
(SEE SCHEDULE 2, PAGE 2A OF 3)	\$ 20,803,897	0	0	0	14,979	(5,268,951)	0	0	0	(5,253,972)	\$ 26,057,869
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,847,605,673	19,388,870	1,195,959,562	2,027,138,986	552,960,405	463,923,561	(40,688,343)	92,577,660	(6,087,177)	4,305,173,525	\$ 2,542,432,148
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 117,500,085 \$ 113,102,703										
(B) ECONOMIC DEVELOPMENT COSTS ON A ROLLING 12 MONTH BASIS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 3,073,530										
ON A JURISDICTIONAL BASIS	\$ 2,978,769										
CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	\$ 873,277,342	248,289,833	107,535,408	123,815,033	105,050,487	(650,043)	55,087,584	(1,307,319)	(495,165)	637,325,817	\$ 235,951,525
JURISDICTIONAL PER BOOKS	\$ 838,201,372	234,596,581	104,273,274	118,009,975	103,244,059	(626,441)	53,095,440	(1,259,724)	(495,164)	610,837,998	\$ 227,363,373

NOTES:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
MARCH, 2019

SCHEDULE 2: PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ 20,803,897	0	0	0	14,979	(5,268,951)	0	0	0	(5,253,972)	\$ 26,057,869
TOTAL PROFORMA ADJUSTMENTS	\$ 20,803,897	0	0	0	14,979	(5,268,951)	0	0	0	(5,253,972)	\$ 26,057,869

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
MARCH, 2019

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,554,274,386	\$ 1,481,547,139
FUEL AND CAPACITY	156,470,780	149,536,306
CAPITALIZED EXECUTIVE COMPENSATION	29,134,013	28,235,769
LOAD CONTROL	49,958,460	49,958,460
ASSET RETIREMENT OBLIGATION	432,422,148	419,089,949
CAPITAL LEASES	60,846,701	58,970,710
TOTAL	<u>\$ 2,283,106,488</u>	<u>\$ 2,187,338,334</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (322,393,069)	\$ (307,307,727)
ACCUM PROV DECOMMISSIONING COSTS	(4,553,931,235)	(4,359,494,057)
ASSET RETIREMENT OBLIGATION	(12,328,288)	(11,948,189)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,224,124,545	4,093,888,688
FUEL AND CAPACITY	(44,235,363)	(42,154,707)
OTHER RATE CASE ADJUSTMENTS (1)	(39,112)	(39,112)
LOAD CONTROL	(26,823,505)	(26,823,505)
CAPITAL LEASES	(11,604,240)	(11,246,464)
TOTAL	<u>\$ (747,230,266)</u>	<u>\$ (665,125,073)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 2,147,973,937	\$ 2,017,749,430
CWIP - CLAUSE PROJECTS	76,567,039	73,216,007
TOTAL	<u>\$ 2,224,540,976</u>	<u>\$ 2,090,965,437</u>
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
WORKING CAPITAL: (SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,624,846,023)	\$ (3,530,253,751)
TOTAL ADJUSTMENTS	\$ 135,571,176	\$ 82,924,947

NOTES:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
MARCH, 2019

SCHEDULE 2: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,577,709,814	3,316,901,253	1,355,212,718	2,270,239,168	1,312,132,519	455,239,442	26,585,550	96,075,414	(6,087,519)	8,826,298,544	\$ 2,751,411,269
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (480,177,539)	0	0	0	(12,350,166)	(134,655,113)	0	0	0	(147,005,280)	\$ (333,172,260)
FRANCHISE EXPENSE	0	0	0	0	(468,340,511)	134,814,345	0	0	0	(333,526,166)	333,526,166
GROSS RECEIPTS TAX	(254,518,516)	0	0	0	(254,260,088)	(75,918)	0	0	0	(254,336,006)	(182,510)
FINANCIAL PLANNING SERVICES	0	0	(481,163)	0	0	138,078	0	0	0	(343,086)	343,086
INDUSTRY ASSOCIATION DUES	0	0	(2,347,876)	0	0	663,670	0	0	0	(1,684,206)	1,684,206
ECONOMIC DEVELOPMENT 5%	0	0	(153,677)	0	0	43,500	0	0	0	(110,177)	110,177
AVIATION - EXPENSES	0	0	(173,612)	0	0	49,548	0	0	0	(124,064)	124,064
EXECUTIVE COMPENSATION	0	0	(37,091,043)	0	0	10,589,578	0	0	0	(26,501,465)	26,501,465
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY	(3,138,281,905)	(3,127,972,379)	(193,620)	54,962	(2,104,522)	44,774,859	(46,960,525)	0	0	(3,132,401,224)	(5,880,681)
CONSERVATION COST RECOVERY	(56,989,916)	0	(44,218,339)	(9,968,409)	(1,061,321)	(500,620)	(717)	0	0	(55,749,407)	(1,240,509)
CAPACITY COST RECOVERY	(256,817,491)	(168,505,579)	(29,605,977)	(1,130,748)	(325,337)	(14,866,314)	(1,623,903)	0	0	(216,057,858)	(40,759,632)
ENVIRONMENTAL COST RECOVERY	(175,561,313)	0	(33,017,650)	(43,625,900)	(281,561)	(18,733,062)	(9,535,390)	0	342	(105,193,221)	(70,368,092)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(508,455)	0	128,868	0	0	0	(379,587)	379,587
STORM DEFICIENCY RECOVERY	(95,515,579)	0	28,748,518	(121,797,870)	0	(789,637)	0	0	0	(93,838,989)	(1,676,590)
INTEREST TAX DEFICIENCIES	0	0	354,647	0	0	(101,861)	0	0	0	252,786	(252,786)
INTEREST SYNCHRONIZATION	0	0	0	0	0	13,540,320	(6,086,367)	0	0	7,453,953	(7,453,953)
TOTAL FPSC ADJUSTMENTS	\$ (4,457,862,259)	(3,296,477,957)	(118,179,792)	(176,976,421)	(738,723,507)	35,020,241	(64,206,901)	0	342	(4,359,543,995)	\$ (98,318,263)
FPSC ADJUSTED	\$ 7,119,847,555	20,423,295	1,237,032,927	2,093,262,747	573,409,012	490,259,683	(37,621,351)	96,075,414	(6,087,177)	4,466,754,549	\$ 2,653,093,006
PRO FORMA ADJUSTMENTS											
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ 20,803,897	0	0	0	14,979	(5,268,951)	0	0	0	(5,253,972)	\$ 26,057,869
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,140,651,452	20,423,295	1,237,032,927	2,093,262,747	573,423,991	484,990,731	(37,621,351)	96,075,414	(6,087,177)	4,461,500,577	\$ 2,679,150,875

(A) THE ADDITION OF EARNINGS FROM AFUDC
WOULD INCREASE THE SYSTEM NOI BY

\$ 117,500,085

NOTES:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
MARCH, 2019

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	27,353,104	26,817,433
INTEREST & DIVIDENDS RECEIVABLE	259,246	254,169
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC	108,537,015	108,088,400
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	12,827,660	12,827,660
PREPAYMENTS - ECCR	46,912,164	46,912,164
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	7,301,207	7,027,963
TEMPORARY CASH INVESTMENTS	988,756	969,393
STORM DEFICIENCY RECOVERY	87,763,671	87,763,671
NUCLEAR COST RECOVERY	0	0
JOBGING ACCOUNTS	58,726,250	57,576,182
OTH REG ASSETS - CLAUSES	3,537,724	3,366,875
MISC. DEFFERED DEBIT - CLAUSES	4,362,533	4,151,851
CEDAR BAY TRANSACTION	567,438,525	542,898,540
ICL TRANSACTION	363,708,333	347,979,057
SJRPP TRANSACTION	116,338,902	111,085,365
EARLY RETIRED ASSETS	41,344,942	39,477,928
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,447,400,032	\$ 1,397,196,650
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	0	0
ACCUM DEFERRED RETIREMENT BENEFITS	(152,414)	(147,715)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(112,075,898)	(112,075,898)
ACCUM. PROV. - RATE REFUNDS	0	0
GAIN ON SALE OF EMISSION ALLOWANCE	(639)	(609)
JOBGING ACCOUNTS	(53,537,847)	(52,489,386)
POLE ATTACHMENT RENTS PAYABLE	(6,244,350)	(6,244,350)
SJRPP ACCELERATED RECOVERY	(7,966,738)	(7,622,201)
STORM DEFICIENCY RECOVERY	1,179,689	1,179,689
ASSET RETIREMENT OBLIGATION	(4,644,218,406)	(4,501,030,449)
MARGIN CALL CASH COLLATERAL	(640,385)	(627,844)
NUCLEAR COST RECOVERY	(244,023,930)	(244,023,930)
CEDAR BAY TRANSACTION	(4,565,137)	(4,367,709)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (5,072,246,055)	\$ (4,927,450,401)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,624,846,023)	\$ (3,530,253,751)

NOTES:

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
MARCH, 2019

SCHEDULE 2: PAGE 3C OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ 20,803,897	0	0	0	14,979	(5,268,951)	0	0	0	(5,253,972)	\$ 26,057,869
TOTAL PROFORMA ADJUSTMENTS	\$ 20,803,897	0	0	0	14,979	(5,268,951)	0	0	0	(5,253,972)	\$ 26,057,869

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
RATE BASE
MARCH, 2019

SCHEDULE 3: PAGE 1 OF 3

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 51,253,060,490	15,391,396,931	35,861,663,559	382,527,437	2,733,386,472	626,258,332	39,603,835,801	(24,880,603)	\$ 39,578,955,198
JURISDICTIONAL PER BOOKS	\$ 49,166,428,685	12,049,595,785	37,116,832,900	362,640,734	2,599,059,056	595,402,923	40,673,935,613	(2,414,230,716)	\$ 38,259,704,897
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,205,060,822)	(703,276,209)	(1,501,784,613)	0	(1,146,063,917)	0	(2,647,848,530)	3,530,253,751	\$ 882,405,221
FPSC ADJUSTED:	\$ 46,961,367,863	11,346,319,576	35,615,048,287	362,640,734	1,452,995,138	595,402,923	38,026,087,083	1,116,023,035	\$ 39,142,110,118
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 46,961,367,863	11,346,319,576	35,615,048,287	362,640,734	1,452,995,138	595,402,923	38,026,087,083	1,116,023,035	\$ 39,142,110,118

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
MARCH, 2019

SCHEDULE 3: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,577,709,814	3,316,901,253	1,355,212,718	2,270,239,168	1,312,132,519	455,239,442	26,585,550	96,075,414	(6,087,519)	8,826,298,544	\$ 2,751,411,269
JURISDICTIONAL PER BOOKS	\$ 11,128,128,324	3,149,045,190	1,310,074,730	2,201,755,981	1,291,654,051	434,352,512	23,470,125	92,577,660	(6,087,503)	8,496,842,746	\$ 2,631,285,578
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (480,177,539)	0	0	0	(12,350,166)	(118,570,848)	0	0	0	(130,921,014)	\$ (349,256,525)
FRANCHISE EXPENSE	0	0	0	0	(468,340,511)	118,700,902	0	0	0	(349,639,608)	349,639,608
GROSS RECEIPTS TAX	(254,518,516)	0	0	0	(254,260,088)	(65,499)	0	0	0	(254,325,586)	(192,929)
FINANCIAL PLANNING SERVICES	0	0	(466,328)	0	0	118,191	0	0	0	(348,137)	348,137
INDUSTRY ASSOCIATION DUES	0	0	(2,275,487)	0	0	576,722	0	0	0	(1,698,765)	1,698,765
ECONOMIC DEVELOPMENT 5%	0	0	(148,938)	0	0	37,748	0	0	0	(111,190)	111,190
AVIATION - EXPENSES	0	0	(168,260)	0	0	42,645	0	0	0	(125,614)	125,614
EXECUTIVE COMPENSATION	0	0	(35,947,472)	0	0	9,110,887	0	0	0	(26,836,586)	26,836,586
FUEL COST REC RETAIL	(2,982,123,528)	(2,968,438,093)	(184,269)	52,307	(2,103,245)	44,197,683	(47,099,743)	0	0	(2,973,575,361)	(8,548,168)
CONSERVATION COST RECOVERY	(56,989,916)	0	(44,218,339)	(9,968,409)	(1,061,321)	(440,754)	(717)	0	0	(55,689,541)	(1,300,375)
CAPACITY COST RECOVERY	(256,440,156)	(161,218,226)	(28,325,609)	(810,001)	(318,992)	(15,044,826)	(1,623,903)	0	0	(207,341,557)	(49,098,599)
ENVIRONMENTAL COST RECOVERY	(175,561,313)	0	(31,472,696)	(41,584,567)	(274,301)	(16,374,823)	(9,535,390)	0	326	(99,241,451)	(76,319,862)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(508,455)	0	128,868	0	0	0	(379,587)	379,587
STORM DEFICIENCY RECOVERY	(95,515,579)	0	28,748,518	(121,797,870)	0	(625,065)	0	0	0	(93,674,417)	(1,841,162)
INTEREST TAX DEFICIENCIES	0	0	343,713	0	0	(87,114)	0	0	0	256,599	(256,599)
INTEREST SYNCHRONIZATION	0	0	0	0	0	4,734,666	(5,898,716)	0	0	(1,164,050)	1,164,050
TOTAL FPSC ADJUSTMENTS	\$ (4,301,326,548)	(3,129,656,320)	(114,115,168)	(174,616,995)	(738,708,625)	26,439,384	(64,158,468)	0	326	(4,194,815,865)	\$ (106,510,682)
FPSC ADJUSTED	\$ 6,826,801,777	19,388,870	1,195,959,562	2,027,138,986	552,945,426	460,791,896	(40,688,343)	92,577,660	(6,087,177)	4,302,026,881	\$ 2,524,774,896
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ 20,803,897	0	0	0	14,979	(5,268,951)	0	0	0	(5,253,972)	\$ 26,057,869
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,847,605,673	19,388,870	1,195,959,562	2,027,138,986	552,960,405	455,522,944	(40,688,343)	92,577,660	(6,087,177)	4,296,772,908	\$ 2,550,832,765
 (A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 117,500,085 AND THE JURISDICTIONAL NOI BY \$ 113,102,703											

NOTES:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
MARCH, 2019

SCHEDULE 3: PAGE 2A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE		OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ 20,803,897	0	0	0	0	14,979	(5,268,951)	0	0	0	(5,253,972)	\$ 26,057,869
TOTAL PROFORMA ADJUSTMENTS	\$ 20,803,897	0	0	0	0	14,979	(5,268,951)	0	0	0	(5,253,972)	\$ 26,057,869

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
MARCH, 2019

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,486,859,505	\$ 1,417,286,719
FUEL AND CAPACITY	165,792,539	158,454,968
CAPITALIZED EXECUTIVE COMPENSATION	32,546,635	31,543,176
LOAD CONTROL	48,866,947	48,866,947
ASSET RETIREMENT OBLIGATION	467,557,308	453,141,841
CAPITAL LEASES (2)	98,813,741	95,767,171
TOTAL	<u>\$ 2,300,436,675</u>	<u>\$ 2,205,060,822</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (321,620,366)	\$ (306,571,180)
ACCUM PROV DECOMMISSIONING COSTS	(4,718,842,785)	(4,517,364,452)
ASSET RETIREMENT OBLIGATION	(23,909,114)	(23,171,961)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,378,206,236	4,243,219,818
FUEL AND CAPACITY	(46,073,679)	(43,913,583)
OTHER RATE CASE ADJUSTMENTS (1)	(508,455)	(508,455)
LOAD CONTROL	(28,897,905)	(28,897,905)
CAPITAL LEASES	(26,897,788)	(26,068,490)
TOTAL	<u>\$ (788,543,855)</u>	<u>\$ (703,276,209)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,158,891,507	\$ 1,081,593,394
CWIP - CLAUSE PROJECTS	67,289,292	64,470,523
TOTAL	<u>\$ 1,226,180,799</u>	<u>\$ 1,146,063,917</u>
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,624,846,023)	\$ (3,530,253,751)
TOTAL ADJUSTMENTS	<u>\$ (886,772,404)</u>	<u>\$ (882,405,221)</u>

NOTES:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.
(2) FPL HAS ADOPTED A NEW ACCOUNTING STANDARD WHICH RESULTED IN RECLASSIFICATION OF CAPITAL LEASES, PER ASC 842.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
MARCH, 2019

SCHEDULE 3: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 11,577,709,814	3,316,901,253	1,355,212,718	2,270,239,168	1,312,132,519	455,239,442	26,585,550	96,075,414	(6,087,519)	8,826,298,544	\$ 2,751,411,269
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (480,177,539)	0	0	0	(12,350,166)	(134,655,113)	0	0	0	(147,005,280)	\$ (333,172,260)
FRANCHISE EXPENSE	0	0	0	0	(468,340,511)	134,814,345	0	0	0	(333,526,166)	333,526,166
GROSS RECEIPTS TAX	(254,518,516)	0	0	0	(254,260,088)	(75,918)	0	0	0	(254,336,006)	(182,510)
FINANCIAL PLANNING SERVICES	0	0	(481,163)	0	0	138,078	0	0	0	(348,086)	343,086
INDUSTRY ASSOCIATION DUES	0	0	(2,347,876)	0	0	663,670	0	0	0	(1,684,206)	1,684,206
ECONOMIC DEVELOPMENT 5%	0	0	(153,677)	0	0	43,500	0	0	0	(110,177)	110,177
AVIATION - EXPENSES	0	0	(173,612)	0	0	49,548	0	0	0	(124,064)	124,064
EXECUTIVE COMPENSATION	0	0	(37,091,043)	0	0	10,589,578	0	0	0	(26,501,465)	26,501,465
FUEL COST REC RETAIL	(3,138,281,905)	(3,127,972,379)	(193,620)	54,962	(2,104,522)	44,774,859	(46,960,525)	0	0	(3,132,401,224)	(5,880,681)
CONSERVATION COST RECOVERY	(56,989,916)	0	(44,218,339)	(9,968,409)	(1,061,321)	(500,620)	(717)	0	0	(55,749,407)	(1,240,509)
CAPACITY COST RECOVERY	(256,817,491)	(168,505,579)	(29,605,977)	(1,130,748)	(325,337)	(14,866,314)	(1,623,903)	0	0	(216,057,858)	(40,759,632)
ENVIRONMENTAL COST RECOVERY	(175,561,313)	0	(33,017,650)	(43,625,900)	(281,561)	(18,733,062)	(9,535,390)	0	342	(105,193,221)	(70,368,092)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(508,455)	0	128,868	0	0	0	(379,587)	379,587
STORM DEFICIENCY RECOVERY	(95,515,579)	0	28,748,518	(121,797,870)	0	(789,637)	0	0	0	(93,838,989)	(1,676,590)
INTEREST TAX DEFICIENCIES	0	0	354,647	0	0	(101,861)	0	0	0	252,786	(252,786)
INTEREST SYNCHRONIZATION	0	0	0	0	0	5,493,492	(6,086,367)	0	0	(592,875)	592,875
TOTAL FPSC ADJUSTMENTS	\$ (4,457,862,259)	(3,296,477,957)	(118,179,792)	(176,976,421)	(738,723,507)	26,973,412	(64,206,901)	0	342	(4,367,590,823)	\$ (90,271,435)
FPSC ADJUSTED	\$ 7,119,847,555	20,423,295	1,237,032,927	2,093,262,747	573,409,012	482,212,854	(37,621,351)	96,075,414	(6,087,177)	4,458,707,721	\$ 2,661,139,834
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ 20,803,897	0	0	0	14,979	(5,268,951)	0	0	0	(5,253,972)	\$ 26,057,869
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,140,651,452	20,423,295	1,237,032,927	2,093,262,747	573,423,991	476,943,903	(37,621,351)	96,075,414	(6,087,177)	4,453,453,749	\$ 2,687,197,703
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 117,500,085										

NOTES:

(1) REFLECTS A PORTION OF THE DEPRECIATION/DISMANTLEMENT RESERVE SURPLUS ADJUSTMENT PROVIDED UNDER ORDER NO. PSC-16-0560-AS-EI.

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
MARCH, 2019

SCHEDULE 3: PAGE 3B OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE		OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ 20,803,897	0	0	0	0	14,979	(5,268,951)	0	0	0	(5,253,972)	\$ 26,057,869
TOTAL PROFORMA ADJUSTMENTS	<u>\$ 20,803,897</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>14,979</u>	<u>(5,268,951)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(5,253,972)</u>	<u>\$ 26,057,869</u>

FOOTNOTES:

(1) ADJUSTMENT TO NORMALIZE BASE REVENUES AS A RESULT OF ABNORMAL WEATHER CONDITIONS EXPERIENCED DURING THE PERIOD

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
MARCH, 2019

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 2	ADJUSTMENTS		ADJUSTED RETAIL 5	RATIO (%) 6	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA 3	SPECIFIC 4			COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 11	WEIGHTED COST (%) 12
			LONG TERM DEBT	\$ 10,716,133,536			\$ 10,299,669,886	\$ 103,546,506	\$ (109,978,247)	\$ 10,293,238,145	27.99%	4.45%
SHORT TERM DEBT	713,855,213	685,940,677	6,970,452	-	692,911,129	1.88%	3.32%	0.06%	3.32%	0.06%	3.32%	0.06%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	17,776,966,124	17,081,817,070	173,583,513	0	17,255,400,583	46.93%	9.60%	4.50%	10.55%	4.95%	11.60%	5.44%
CUSTOMER DEPOSITS	398,124,021	397,604,310	4,040,411	0	401,644,721	1.09%	2.09%	0.02%	2.09%	0.02%	2.09%	0.02%
DEFERRED INCOME TAX	8,283,073,328	7,958,426,985	78,702,631	(213,544,294)	7,823,585,322	21.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	450,188,833	431,541,713	3,071,173	(129,317,092)	305,295,793	0.83%	7.64%	0.06%	8.27%	0.07%	8.90%	0.07%
TOTAL	\$ 38,338,341,056	\$ 36,855,000,640	\$ 369,914,686	\$ (452,839,633)	\$ 36,772,075,693	100.00%		5.90%		6.35%		6.85%

YEAR END	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 2	ADJUSTMENTS		ADJUSTED RETAIL 5	RATIO (%) 6	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA 3	SPECIFIC 4			COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10	COST RATE (%) 11	WEIGHTED COST (%) 12
			LONG TERM DEBT	\$ 11,077,625,190			\$ 10,707,212,586	\$ 379,002,108	\$ (131,952,682)	\$ 10,954,262,012	27.99%	4.53%
SHORT TERM DEBT	355,812,941	343,849,840	12,323,084	-	356,172,924	0.91%	4.54%	0.04%	4.54%	0.04%	4.54%	0.04%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,923,368,961	18,287,129,654	655,384,430	(0)	18,942,514,084	48.39%	9.60%	4.65%	10.55%	5.11%	11.60%	5.61%
CUSTOMER DEPOSITS	397,350,996	397,114,147	14,232,000	-	411,346,147	1.05%	2.18%	0.02%	2.18%	0.02%	2.18%	0.02%
DEFERRED INCOME TAX	8,312,806,283	8,031,359,589	280,179,258	(213,544,294)	8,097,994,554	20.69%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	511,990,827	493,039,081	13,141,253	(126,359,937)	379,820,397	0.97%	7.71%	0.07%	8.34%	0.08%	8.98%	0.09%
TOTAL	\$ 39,578,955,198	\$ 38,259,704,897	\$ 1,354,262,133	\$ (471,856,913)	\$ 39,142,110,118	100.00%		6.05%		6.52%		7.03%

NOTE:
(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$3,143 MILLION OF EXCESS DEFERRED TAXES
(2) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY.
(3) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
PROFORMA ADJUSTED BASIS
MARCH, 2019

SCHEDULE 4: PAGE 2 OF 2

AVERAGE	FPSC ADJUSTED 1	PRO-FORMA ADJUSTMENTS 2	TOTAL PRO-FORMA ADJUSTED 3	TOTAL RATIO (%) 4	LOW POINT		MIDPOINT		HIGH POINT	
					COST RATE (%) 5	WEIGHTED COST (%) 6	COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10
LONG TERM DEBT	\$ 10,293,238,145	\$ -	\$ 10,293,238,145	27.99%	4.45%	1.25%	4.45%	1.25%	4.45%	1.25%
SHORT TERM DEBT	692,911,129	-	692,911,129	1.88%	3.32%	0.06%	3.32%	0.06%	3.32%	0.06%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	17,255,400,583	-	17,255,400,583	46.93%	9.60%	4.50%	10.55%	4.95%	11.60%	5.44%
CUSTOMER DEPOSITS	401,644,721	-	401,644,721	1.09%	2.09%	0.02%	2.09%	0.02%	2.09%	0.02%
DEFERRED INCOME TAX	7,823,585,322	-	7,823,585,322	21.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	305,295,793	-	305,295,793	0.83%	7.64%	0.06%	8.27%	0.07%	8.90%	0.07%
TOTAL	\$ 36,772,075,693	\$ -	\$ 36,772,075,693	100.00%		5.90%		6.35%		6.85%

YEAR END	FPSC ADJUSTED 1	PRO-FORMA ADJUSTMENTS 2	TOTAL PRO-FORMA ADJUSTED 3	TOTAL RATIO (%) 4	LOW POINT		MIDPOINT		HIGH POINT	
					COST RATE (%) 5	WEIGHTED COST (%) 6	COST RATE (%) 7	WEIGHTED COST (%) 8	COST RATE (%) 9	WEIGHTED COST (%) 10
LONG TERM DEBT	\$ 10,954,262,012	\$ -	\$ 10,954,262,012	27.99%	4.53%	1.27%	4.53%	1.27%	4.53%	1.27%
SHORT TERM DEBT	356,172,924	-	356,172,924	0.91%	4.54%	0.04%	4.54%	0.04%	4.54%	0.04%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,942,514,084	-	18,942,514,084	48.39%	9.60%	4.65%	10.55%	5.11%	11.60%	5.61%
CUSTOMER DEPOSITS	411,346,147	-	411,346,147	1.05%	2.18%	0.02%	2.18%	0.02%	2.18%	0.02%
DEFERRED INCOME TAX	8,097,994,554	-	8,097,994,554	20.69%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	379,820,397	-	379,820,397	0.97%	7.71%	0.07%	8.34%	0.08%	8.98%	0.09%
TOTAL	\$ 39,142,110,118	\$ -	\$ 39,142,110,118	100.00%		6.05%		6.52%		7.03%

NOTE:

(1) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY.

(2) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

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A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,806,040,811
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	24,014,071
INCOME TAXES	<u>570,758,863</u>
TOTAL	\$ 3,400,813,745
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 567,827,904</u>
TIMES INTEREST EARNED WITH AFUDC	<u>5.99</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,806,040,811
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(93,486,014)
INCOME TAXES	<u>570,758,863</u>
TOTAL	\$ 3,283,313,660
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 567,827,904</u>
TIMES INTEREST EARNED WITHOUT AFUDC	<u>5.78</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 24,014,071
X (1 - INCOME_TAX_RATE)	<u>0.7466</u>
SUBTOTAL	\$ 17,927,705
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	<u>93,486,014</u>
TOTAL	\$ 111,413,718
NET INCOME AVAILABLE FOR COMMON	<u>\$ 2,262,226,978</u>
AFUDC AS PERCENT OF NET INCOME	<u>4.92%</u>

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ (40,822,037)
GAINS ON DISPOSITION OF PROPERTY	(6,087,519)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	<u>0</u>
	\$ (46,909,556)

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 2,262,226,978
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(500,000,000)
AFUDC (DEBT & OTHER)	(117,500,085)
DEPRECIATION AND AMORTIZATION EXPENSE	2,270,239,168
DEFERRED INCOME TAXES	17,655,236
INVESTMENT TAX CREDITS	96,075,414
OTHER SOURCE/USES OF FUNDS	<u>(46,909,556)</u>
INTERNALLY GENERATED FUNDS	\$ 3,981,787,155
CONSTRUCTION EXPENDITURES	<u>\$ 4,949,706,775</u>
PERCENT INTERNALLY GENERATED FUNDS	<u>80.44%</u>

E. LONG TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL

F. SHORT TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL

AVERAGE RETAIL AMOUNTS	
JURIS ADJUSTED LONG TERM DEBT	\$ 10,293,238,145
JURIS ADJUSTED SHORT TERM DEBT	692,911,129
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	<u>17,255,400,583</u>
TOTAL	\$ 28,241,549,857
LTD TO TOTAL INVESTOR FUNDS	<u>36.45%</u>
STD TO TOTAL INVESTOR FUNDS	<u>2.45%</u>

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.84%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	1.25%
SHORT TERM DEBT	0.06%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	<u>0.07%</u>
SUBTOTAL	1.40%
TOTAL	<u>5.44%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>46.93%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>11.60%</u>

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H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.91%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT 1.25%

SHORT TERM DEBT 0.06%

PREFERRED STOCK 0.00%

CUSTOMER DEPOSITS 0.02%

TAX CREDITS - WTD COST 0.07%

SUBTOTAL 1.40%

PRO FORMA ROR LESS NON EQUITY COST 5.51%

PRO FORMA COMMON EQUITY RATIO 46.93%

PRO FORMA RETURN ON COMMON EQUITY 11.75%