



November 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 September 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.

Pursuant to FPSC Order No. PSC-2019-0225-FOF-EI, FPL also provides as Attachment 1 to the Report the monthly amounts of amortization credits or debits to the Reserve Amount during 2019. The balance of the Reserve Amount as of September 30, 2019 is \$911,613,573.

Sincerely,

A handwritten signature in cursive script that reads "David Hughes".

David Hughes
Assistant Controller, FPL Finance

Enclosures

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
SEPTEMBER, 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	\$ 2,835,311,701 (A)	(203,566,021) (B)	2,631,745,681	(126,776,717)	\$ 2,504,968,963
RATE BASE	\$ 37,817,547,195	499,990,069	38,317,537,265	0	\$ 38,317,537,265
AVERAGE RATE OF RETURN	7.50%		6.87%		6.54%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,835,311,701 (A)	(193,248,016) (B)	2,642,063,686	(126,776,717)	\$ 2,515,286,968
RATE BASE	\$ 38,988,547,808	871,176,722	39,859,724,530	0	\$ 39,859,724,530
YEAR END RATE OF RETURN	7.27%		6.63%		6.31%

(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS

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

LOW	5.92%
MIDPOINT	6.37%
HIGH	6.87%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	5.69	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	5.53	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	3.76%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	43.17%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	37.04%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	2.21%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.60%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.90%	(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-EI, ORDER NO. PSC-16-0560-AS-EI. 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)

Keith Ferguson
(SIGNATURE)

10/14/19
(DATE)

For Keith Ferguson

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
SEPTEMBER, 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	\$ 51,005,076,800	15,625,993,627	35,379,083,173	411,713,469	3,213,250,784	601,528,384	39,605,575,811	(261,213,895)	\$ 39,344,361,916
JURISDICTIONAL PER BOOKS	\$ 48,925,622,850	12,527,166,271	36,398,456,579	390,266,435	3,054,823,912	571,891,406	40,415,438,333	(2,597,891,137)	\$ 37,817,547,195
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,170,019,353)	(700,097,822)	(1,469,921,531)	0	(1,679,975,015)	0	(3,149,896,546)	3,649,886,616	\$ 499,990,069
FPSC ADJUSTED:	\$ 46,755,603,497	11,827,068,449	34,928,535,048	390,266,435	1,374,848,897	571,891,406	37,265,541,786	1,051,995,478	\$ 38,317,537,265
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 46,755,603,497	11,827,068,449	34,928,535,048	390,266,435	1,374,848,897	571,891,406	37,265,541,786	1,051,995,478	\$ 38,317,537,265

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
SEPTEMBER, 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	\$ 11,886,383,028	3,354,409,690	1,324,901,164	2,549,349,751	1,348,245,133	415,659,267	(52,566,907)	88,175,358	(5,873,563)	9,022,299,893	\$ 2,864,083,135
JURISDICTIONAL PER BOOKS	\$ 11,449,695,745	3,193,663,663	1,279,894,237	2,477,880,335	1,327,383,489	397,834,931	(52,128,356)	84,965,216	(5,873,545)	8,703,619,969	\$ 2,746,075,776
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (497,125,295)	0	0	0	(12,786,063)	(122,755,779)	0	0	0	(135,541,841)	\$ (361,583,454)
FRANCHISE EXPENSE	0	0	0	0	(484,472,961)	122,789,672	0	0	0	(361,683,289)	361,683,289
GROSS RECEIPTS TAX	(263,153,355)	0	0	0	(262,913,675)	(60,747)	0	0	0	(262,974,422)	(178,933)
FINANCIAL PLANNING SERVICES	0	0	(487,282)	0	0	123,502	0	0	0	(363,780)	363,780
INDUSTRY ASSOCIATION DUES	0	0	(1,972,273)	0	0	499,872	0	0	0	(1,472,400)	1,472,400
ECONOMIC DEVELOPMENT 5%	0	0	(147,365)	0	0	37,350	0	0	0	(110,016)	110,016
AVIATION - EXPENSES	0	0	(156,810)	0	0	39,743	0	0	0	(117,066)	117,066
EXECUTIVE COMPENSATION	0	0	(35,908,940)	0	0	9,101,121	0	0	0	(26,807,819)	26,807,819
FUEL COST REC RETAIL	(3,026,898,378)	(3,011,186,255)	(857,994)	143,720	(2,123,728)	(5,327,608)	2,064,662	0	0	(3,017,287,203)	(9,611,175)
CONSERVATION COST RECOVERY	(53,796,552)	0	(41,288,341)	(9,850,739)	(1,004,450)	(418,903)	(55)	0	0	(52,562,489)	(1,234,063)
CAPACITY COST RECOVERY	(261,962,223)	(162,215,187)	(28,078,930)	(9,072,388)	(319,721)	(16,772,913)	989,062	0	0	(215,470,077)	(46,492,146)
ENVIRONMENTAL COST RECOVERY	(174,599,972)	0	(31,459,008)	(38,948,442)	(288,185)	(21,980,064)	(4,354,583)	0	368	(97,029,914)	(77,570,058)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	1,005,469	0	(254,836)	0	0	0	750,633	(750,633)
STORM DEFICIENCY RECOVERY	(95,623,601)	0	(1,004,526)	(93,237,389)	0	(350,188)	0	0	0	(94,592,103)	(1,031,498)
INTEREST TAX DEFICIENCIES	0	0	307,503	0	0	(77,937)	0	0	0	229,566	(229,566)
INTEREST SYNCHRONIZATION	0	0	0	0	0	11,242,174	(5,039,235)	0	0	6,202,939	(6,202,939)
TOTAL FPSC ADJUSTMENTS	\$ (4,373,159,375)	(3,173,401,441)	(141,053,965)	(149,959,769)	(763,908,782)	(24,165,541)	(6,340,150)	0	368	(4,258,829,280)	\$ (114,330,096)
FPSC ADJUSTED	\$ 7,076,536,370	20,262,222	1,138,840,272	2,327,920,566	563,474,706	373,669,390	(58,468,506)	84,965,216	(5,873,178)	4,444,790,689	\$ 2,631,745,681
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (169,939,136)	0	0	0	(122,356)	(43,040,063)	0	0	0	(43,162,419)	\$ (126,776,717)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,906,597,234	20,262,222	1,138,840,272	2,327,920,566	563,352,350	330,629,327	(58,468,506)	84,965,216	(5,873,178)	4,401,628,270	\$ 2,504,968,963
 (A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY											
	\$ 92,705,378										
	\$ 89,235,925										
 (B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 3,041,066										
ON A JURISDICTIONAL BASIS	\$ 2,947,305										
 CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	\$ 1,117,457,821	322,183,245	105,134,124	332,855,240	125,011,382	31,869,921	(1,862,113)	(1,081,376)	(454,653)	913,655,770	\$ 203,802,051
JURISDICTIONAL PER BOOKS	\$ 1,078,947,535	309,050,684	101,427,151	326,630,353	123,263,947	29,800,342	(2,187,069)	(1,042,007)	(454,651)	886,488,750	\$ 192,458,785

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
SEPTEMBER, 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)	\$ (169,939,136)	0	0	0	(122,356)	(43,040,063)	0	0	0	(43,162,419)	\$ (126,776,717)
TOTAL PROFORMA ADJUSTMENTS	<u>\$ (169,939,136)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(122,356)</u>	<u>(43,040,063)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(43,162,419)</u>	<u>\$ (126,776,717)</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
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
SEPTEMBER, 2019

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,506,285,959	\$ 1,435,937,179
FUEL AND CAPACITY	163,843,756	156,649,682
CAPITALIZED EXECUTIVE COMPENSATION	32,473,722	31,472,511
LOAD CONTROL	49,203,602	49,203,602
ASSET RETIREMENT OBLIGATION	433,291,300	419,932,303
CAPITAL LEASES	79,268,024	76,824,077
TOTAL	<u>\$ 2,264,366,363</u>	<u>\$ 2,170,019,353</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (330,474,795)	\$ (315,040,476)
ACCUM PROV DECOMMISSIONING COSTS	(4,700,488,735)	(4,499,794,058)
ASSET RETIREMENT OBLIGATION	(21,053,613)	(20,404,500)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,361,096,989	4,226,638,074
FUEL AND CAPACITY	(45,910,839)	(43,762,596)
OTHER RATE CASE ADJUSTMENTS (1)	77,344	77,344
LOAD CONTROL	(27,566,744)	(27,566,744)
CAPITAL LEASES	(20,888,903)	(20,244,868)
TOTAL	<u>\$ (785,209,295)</u>	<u>\$ (700,097,822)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,710,717,351	\$ 1,605,341,518
CWIP - CLAUSE PROJECTS	78,025,517	74,633,497
TOTAL	<u>\$ 1,788,742,868</u>	<u>\$ 1,679,975,015</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)	\$ (3,745,863,379)	\$ (3,649,886,616)
TOTAL ADJUSTMENTS	<u>\$ (477,963,443)</u>	<u>\$ (499,990,069)</u>

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
SEPTEMBER, 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	\$ 11,886,383,028	3,354,409,690	1,324,901,164	2,549,349,751	1,348,245,133	415,659,267	(52,566,907)	88,175,358	(5,873,563)	9,022,299,893	\$ 2,864,083,135
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (497,125,295)	0	0	0	(12,786,063)	(124,172,933)	0	0	0	(136,958,995)	\$ (360,166,300)
FRANCHISE EXPENSE	0	0	0	0	(484,472,961)	124,206,826	0	0	0	(360,266,135)	360,266,135
GROSS RECEIPTS TAX	(263,153,355)	0	0	0	(262,913,675)	(61,499)	0	0	0	(262,975,174)	(178,181)
FINANCIAL PLANNING SERVICES	0	0	(502,783)	0	0	128,070	0	0	0	(374,714)	374,714
INDUSTRY ASSOCIATION DUES	0	0	(2,035,015)	0	0	523,846	0	0	0	(1,511,169)	1,511,169
ECONOMIC DEVELOPMENT 5%	0	0	(152,053)	0	0	39,249	0	0	0	(112,804)	112,804
AVIATION - EXPENSES	0	0	(161,798)	0	0	41,850	0	0	0	(119,948)	119,948
EXECUTIVE COMPENSATION	0	0	(37,051,285)	0	0	9,490,126	0	0	0	(27,561,158)	27,561,158
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY	(3,173,347,138)	(3,163,610,615)	(901,568)	151,019	(2,125,024)	(4,252,708)	2,550,147	0	0	(3,168,188,749)	(5,158,390)
CONSERVATION COST RECOVERY	(53,796,552)	0	(41,288,341)	(9,850,739)	(1,004,450)	(424,479)	(55)	0	0	(52,568,065)	(1,228,487)
CAPACITY COST RECOVERY	(262,350,368)	(169,465,887)	(29,334,003)	(9,573,707)	(325,861)	(14,742,204)	989,062	0	0	(222,452,600)	(39,897,768)
ENVIRONMENTAL COST RECOVERY	(174,599,972)	0	(33,000,234)	(40,856,586)	(296,145)	(21,373,988)	(4,354,583)	0	386	(99,881,149)	(74,718,822)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	1,005,469	0	(254,836)	0	0	0	750,633	(750,633)
STORM DEFICIENCY RECOVERY	(95,623,601)	0	(1,004,526)	(93,237,389)	0	(360,393)	0	0	0	(94,602,308)	(1,021,293)
INTEREST TAX DEFICIENCIES	0	0	317,285	0	0	(81,551)	0	0	0	235,734	(235,734)
INTEREST SYNCHRONIZATION	0	0	0	0	0	11,538,250	(5,199,544)	0	0	6,338,706	(6,338,706)
TOTAL FPSC ADJUSTMENTS	\$ (4,519,996,280)	(3,333,076,502)	(145,114,320)	(152,361,933)	(763,924,177)	(19,756,373)	(6,014,974)	0	386	(4,420,247,894)	\$ (99,748,387)
FPSC ADJUSTED	\$ 7,366,386,748	21,333,189	1,179,786,845	2,396,987,818	584,320,955	395,902,894	(58,581,881)	88,175,358	(5,873,178)	4,602,051,999	\$ 2,764,334,748
PRO FORMA ADJUSTMENTS											
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ (169,939,136)	0	0	0	(122,356)	(43,040,063)	0	0	0	(43,162,419)	\$ (126,776,717)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,196,447,611	21,333,189	1,179,786,845	2,396,987,818	584,198,599	352,862,831	(58,581,881)	88,175,358	(5,873,178)	4,558,889,580	\$ 2,637,558,031

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

\$ 92,705,378

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
SEPTEMBER, 2019

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	31,330,853	30,717,283
INTEREST & DIVIDENDS RECEIVABLE	588,057	576,541
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC	162,874,992	162,618,202
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	13,695,123	13,695,123
PREPAYMENTS - ECCR	45,414,967	45,414,967
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	6,988,194	6,726,664
TEMPORARY CASH INVESTMENTS	1,407,988	1,380,415
STORM DEFICIENCY RECOVERY	32,082,699	32,082,699
NUCLEAR COST RECOVERY	0	0
JOBGING ACCOUNTS	44,957,665	44,077,234
OTH REG ASSETS - CLAUSES	1,502,508	1,429,890
MISC. DEFFERED DEBIT - CLAUSES	3,187,704	3,033,638
CEDAR BAY TRANSACTION	522,043,443	499,707,499
ICL TRANSACTION	338,625,000	324,136,725
SJRPP TRANSACTION	104,547,598	102,903,497
EARLY RETIRED ASSETS	103,362,354	95,535,022
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,412,609,146	\$ 1,364,035,400
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	3,846,154	0
ACCUM DEFERRED RETIREMENT BENEFITS	(185,650)	(179,926)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(77,963,651)	(77,963,651)
ACCUM. PROV. - RATE REFUNDS	0	0
GAIN ON SALE OF EMISSION ALLOWANCE	(521)	(497)
JOBGING ACCOUNTS	(37,967,525)	(37,223,986)
POLE ATTACHMENT RENTS PAYABLE	(6,550,749)	(6,550,749)
SJRPP ACCELERATED RECOVERY	(6,674,835)	(6,389,248)
STORM DEFICIENCY RECOVERY	(12,803,276)	(12,803,276)
ASSET RETIREMENT OBLIGATION	(4,773,334,676)	(4,626,165,878)
MARGIN CALL CASH COLLATERAL	(678,846)	(665,552)
NUCLEAR COST RECOVERY	(241,959,019)	(241,959,019)
CEDAR BAY TRANSACTION	(4,199,929)	(4,020,233)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (5,158,472,525)	\$ (5,013,922,016)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,745,863,379)	\$ (3,649,886,616)

NOTES:

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
SEPTEMBER, 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)	\$ (169,939,136)	0	0	0	(122,356)	(43,040,063)	0	0	0	(43,162,419)	\$ (126,776,717)
TOTAL PROFORMA ADJUSTMENTS	\$ (169,939,136)	0	0	0	(122,356)	(43,040,063)	0	0	0	(43,162,419)	\$ (126,776,717)

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
SEPTEMBER, 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	\$ 53,067,357,676	15,972,692,540	37,094,665,135	447,722,863	2,958,544,850	616,617,015	41,117,549,864	(261,213,895)	\$ 40,856,335,969
JURISDICTIONAL PER BOOKS	\$ 50,903,690,224	13,145,023,975	37,758,666,249	424,837,743	2,816,698,324	586,236,628	41,586,438,945	(2,597,891,137)	\$ 38,988,547,808
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,161,784,759)	(738,172,022)	(1,423,612,737)	0	(1,355,097,156)	0	(2,778,709,894)	3,649,886,616	\$ 871,176,722
FPSC ADJUSTED:	\$ 48,741,905,465	12,406,851,953	36,335,053,512	424,837,743	1,461,601,168	586,236,628	38,807,729,052	1,051,995,478	\$ 39,859,724,530
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 48,741,905,465	12,406,851,953	36,335,053,512	424,837,743	1,461,601,168	586,236,628	38,807,729,052	1,051,995,478	\$ 39,859,724,530

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
SEPTEMBER, 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	\$ 11,886,383,028	3,354,409,690	1,324,901,164	2,549,349,751	1,348,245,133	415,659,267	(52,566,907)	88,175,358	(5,873,563)	9,022,299,893	\$ 2,864,083,135
JURISDICTIONAL PER BOOKS	\$ 11,449,695,745	3,193,663,663	1,279,894,237	2,477,880,335	1,327,383,489	397,834,931	(52,128,356)	84,965,216	(5,873,545)	8,703,619,969	\$ 2,746,075,776
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (497,125,295)	0	0	0	(12,786,063)	(122,755,779)	0	0	0	(135,541,841)	\$ (361,583,454)
FRANCHISE EXPENSE	0	0	0	0	(484,472,961)	122,789,672	0	0	0	(361,683,289)	361,683,289
GROSS RECEIPTS TAX	(263,153,355)	0	0	0	(262,913,675)	(60,747)	0	0	0	(262,974,422)	(178,933)
FINANCIAL PLANNING SERVICES	0	0	(487,282)	0	0	123,502	0	0	0	(363,780)	363,780
INDUSTRY ASSOCIATION DUES	0	0	(1,972,273)	0	0	499,872	0	0	0	(1,472,400)	1,472,400
ECONOMIC DEVELOPMENT 5%	0	0	(147,365)	0	0	37,350	0	0	0	(110,016)	110,016
AVIATION - EXPENSES	0	0	(156,810)	0	0	39,743	0	0	0	(117,066)	117,066
EXECUTIVE COMPENSATION	0	0	(35,908,940)	0	0	9,101,121	0	0	0	(26,807,819)	26,807,819
FUEL COST REC RETAIL	(3,026,898,378)	(3,011,186,255)	(857,994)	143,720	(2,123,728)	(5,327,608)	2,064,662	0	0	(3,017,287,203)	(9,611,175)
CONSERVATION COST RECOVERY	(53,796,552)	0	(41,288,341)	(9,850,739)	(1,004,450)	(418,903)	(55)	0	0	(52,562,489)	(1,234,063)
CAPACITY COST RECOVERY	(261,962,223)	(162,215,187)	(28,078,930)	(9,072,388)	(319,721)	(16,772,913)	989,062	0	0	(215,470,077)	(46,492,146)
ENVIRONMENTAL COST RECOVERY	(174,599,972)	0	(31,459,008)	(38,948,442)	(288,185)	(21,980,064)	(4,354,583)	0	368	(97,029,914)	(77,570,058)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	1,005,469	0	(254,836)	0	0	0	750,633	(750,633)
STORM DEFICIENCY RECOVERY	(95,623,601)	0	(1,004,526)	(93,237,389)	0	(350,188)	0	0	0	(94,592,103)	(1,031,498)
INTEREST TAX DEFICIENCIES	0	0	307,503	0	0	(77,937)	0	0	0	229,566	(229,566)
INTEREST SYNCHRONIZATION	0	0	0	0	0	924,169	(5,039,235)	0	0	(4,115,066)	4,115,066
TOTAL FPSC ADJUSTMENTS	\$ (4,373,159,375)	(3,173,401,441)	(141,053,965)	(149,959,769)	(763,908,782)	(34,483,546)	(6,340,150)	0	368	(4,269,147,285)	\$ (104,012,091)
FPSC ADJUSTED	\$ 7,076,536,370	20,262,222	1,138,840,272	2,327,920,566	563,474,706	363,351,385	(58,468,506)	84,965,216	(5,873,178)	4,434,472,684	\$ 2,642,063,686
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (169,939,136)	0	0	0	(122,356)	(43,040,063)	0	0	0	(43,162,419)	\$ (126,776,717)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,906,597,234	20,262,222	1,138,840,272	2,327,920,566	563,352,350	320,311,322	(58,468,506)	84,965,216	(5,873,178)	4,391,310,265	\$ 2,515,286,968
 (A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 92,705,378 AND THE JURISDICTIONAL NOI BY \$ 89,235,925											

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
SEPTEMBER, 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)	\$ (169,939,136)	0	0	0	0	(122,356)	(43,040,063)	0	0	0	(43,162,419)	\$ (126,776,717)
TOTAL PROFORMA ADJUSTMENTS	\$ (169,939,136)	0	0	0	0	(122,356)	(43,040,063)	0	0	0	(43,162,419)	\$ (126,776,717)

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
SEPTEMBER, 2019

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,481,457,761	\$ 1,412,268,544
FUEL AND CAPACITY	172,080,221	164,534,410
CAPITALIZED EXECUTIVE COMPENSATION	35,864,461	34,758,708
LOAD CONTROL	45,791,367	45,791,367
ASSET RETIREMENT OBLIGATION	418,061,963	405,172,509
CAPITAL LEASES	102,416,882	99,259,222
TOTAL	\$ 2,255,672,654	\$ 2,161,784,759
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (345,741,551)	\$ (329,594,221)
ACCUM PROV DECOMMISSIONING COSTS	(4,923,807,268)	(4,713,577,658)
ASSET RETIREMENT OBLIGATION	(21,624,813)	(20,958,089)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,569,199,737	4,428,324,713
FUEL AND CAPACITY	(49,088,450)	(46,804,916)
OTHER RATE CASE ADJUSTMENTS (1)	1,005,469	1,005,469
LOAD CONTROL	(25,298,376)	(25,298,376)
CAPITAL LEASES	(32,263,680)	(31,268,944)
TOTAL	\$ (827,618,932)	\$ (738,172,022)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,362,439,144	\$ 1,276,863,049
CWIP - CLAUSE PROJECTS	81,817,314	78,234,107
TOTAL	\$ 1,444,256,457	\$ 1,355,097,156
NUCLEAR FUEL:		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
WORKING CAPITAL:		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,745,863,379)	\$ (3,649,886,616)
TOTAL ADJUSTMENTS	\$ (873,553,199)	\$ (871,176,722)

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
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
SEPTEMBER, 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	\$ 11,886,383,028	3,354,409,690	1,324,901,164	2,549,349,751	1,348,245,133	415,659,267	(52,566,907)	88,175,358	(5,873,563)	9,022,299,893	\$ 2,864,083,135
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (497,125,295)	0	0	0	(12,786,063)	(124,172,933)	0	0	0	(136,958,995)	\$ (360,166,300)
FRANCHISE EXPENSE	0	0	0	0	(484,472,961)	124,206,826	0	0	0	(360,266,135)	360,266,135
GROSS RECEIPTS TAX	(263,153,355)	0	0	0	(262,913,675)	(61,499)	0	0	0	(262,975,174)	(178,181)
FINANCIAL PLANNING SERVICES	0	0	(502,783)	0	0	128,070	0	0	0	(374,714)	374,714
INDUSTRY ASSOCIATION DUES	0	0	(2,035,015)	0	0	523,846	0	0	0	(1,511,169)	1,511,169
ECONOMIC DEVELOPMENT 5%	0	0	(152,053)	0	0	39,249	0	0	0	(112,804)	112,804
AVIATION - EXPENSES	0	0	(161,798)	0	0	41,850	0	0	0	(119,948)	119,948
EXECUTIVE COMPENSATION	0	0	(37,051,285)	0	0	9,490,126	0	0	0	(27,561,158)	27,561,158
FUEL COST REC RETAIL	(3,173,347,138)	(3,163,610,615)	(901,568)	151,019	(2,125,024)	(4,252,708)	2,550,147	0	0	(3,168,188,749)	(5,158,390)
CONSERVATION COST RECOVERY	(53,796,552)	0	(41,288,341)	(9,850,739)	(1,004,450)	(424,479)	(55)	0	0	(52,568,065)	(1,228,487)
CAPACITY COST RECOVERY	(262,350,368)	(169,465,887)	(29,334,003)	(9,573,707)	(325,861)	(14,742,204)	989,062	0	0	(222,452,600)	(39,897,768)
ENVIRONMENTAL COST RECOVERY	(174,599,972)	0	(33,000,234)	(40,856,586)	(296,145)	(21,373,988)	(4,354,583)	0	386	(99,881,149)	(74,718,822)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	1,005,469	0	(254,836)	0	0	0	750,633	(750,633)
STORM DEFICIENCY RECOVERY	(95,623,601)	0	(1,004,526)	(93,237,389)	0	(360,393)	0	0	0	(94,602,308)	(1,021,293)
INTEREST TAX DEFICIENCIES	0	0	317,285	0	0	(81,551)	0	0	0	235,734	(235,734)
INTEREST SYNCHRONIZATION	0	0	0	0	0	(262,739)	(5,199,544)	0	0	(5,462,283)	5,462,283
TOTAL FPSC ADJUSTMENTS	\$ (4,519,996,280)	(3,333,076,502)	(145,114,320)	(152,361,933)	(763,924,177)	(31,557,363)	(6,014,974)	0	386	(4,432,048,883)	\$ (87,947,397)
FPSC ADJUSTED	\$ 7,366,386,748	21,333,189	1,179,786,845	2,396,987,818	584,320,955	384,101,904	(58,581,881)	88,175,358	(5,873,178)	4,590,251,010	\$ 2,776,135,738
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ (169,939,136)	0	0	0	(122,356)	(43,040,063)	0	0	0	(43,162,419)	\$ (126,776,717)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,196,447,611	21,333,189	1,179,786,845	2,396,987,818	584,198,599	341,061,841	(58,581,881)	88,175,358	(5,873,178)	4,547,088,591	\$ 2,649,359,021
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 92,705,378										

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
SEPTEMBER, 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)	\$ (169,939,136)	0	0	0	0	(122,356)	(43,040,063)	0	0	0	(43,162,419)	\$ (126,776,717)
TOTAL PROFORMA ADJUSTMENTS	\$ (169,939,136)	0	0	0	0	(122,356)	(43,040,063)	0	0	0	(43,162,419)	\$ (126,776,717)

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
SEPTEMBER, 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	\$ 11,247,839,412			\$ 10,808,549,888	\$ 255,480,795	\$ (83,634,451)	\$ 10,980,396,232	28.66%	4.38%
SHORT TERM DEBT	666,277,048	640,178,563	15,249,848	0	655,428,411	1.71%	3.81%	0.07%	3.81%	0.07%	3.81%	0.07%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,305,774,122	17,588,725,601	418,985,270	(0)	18,007,710,872	47.00%	9.60%	4.51%	10.55%	4.96%	11.60%	5.45%
CUSTOMER DEPOSITS	398,522,768	398,111,616	9,483,513	-	407,595,129	1.06%	2.10%	0.02%	2.10%	0.02%	2.10%	0.02%
DEFERRED INCOME TAX (1)	8,241,209,163	7,917,228,243	184,273,749	(181,537,683)	7,919,964,309	20.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	484,739,402	464,753,284	8,060,671	(126,371,642)	346,442,312	0.90%	7.59%	0.07%	8.21%	0.07%	8.83%	0.08%
TOTAL	\$ 39,344,361,916	\$ 37,817,547,195	\$ 891,533,845	\$ (391,543,776)	\$ 38,317,537,265	100.00%		5.92%		6.37%		6.87%

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	\$ 12,841,972,691			\$ 12,250,493,049	\$ 400,421,637	\$ (95,045,519)	\$ 12,555,869,167	31.50%	4.22%
SHORT TERM DEBT	404,653,831	385,951,833	12,713,926	0	398,665,760	1.00%	3.70%	0.04%	3.70%	0.04%	3.70%	0.04%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,414,939,200	17,563,850,868	578,583,874	0	18,142,434,742	45.52%	9.60%	4.37%	10.55%	4.80%	11.60%	5.28%
CUSTOMER DEPOSITS	408,099,190	407,695,486	13,430,200	-	421,125,686	1.06%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX (1)	8,277,227,929	7,894,773,242	254,087,429	(181,537,683)	7,967,322,988	19.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	509,443,127	485,783,329	11,937,071	(123,414,213)	374,306,187	0.94%	7.37%	0.07%	7.96%	0.07%	8.55%	0.08%
TOTAL	\$ 40,856,335,969	\$ 38,988,547,808	\$ 1,271,174,138	\$ (399,997,415)	\$ 39,859,724,530	100.00%		5.83%		6.27%		6.75%

NOTE:

(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$3,051 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
SEPTEMBER, 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	\$ 10,980,396,232	\$ -	\$ 10,980,396,232	28.66%	4.38%	1.25%	4.38%	1.25%	4.38%	1.25%
SHORT TERM DEBT	655,428,411	-	655,428,411	1.71%	3.81%	0.07%	3.81%	0.07%	3.81%	0.07%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,007,710,872	-	18,007,710,872	47.00%	9.60%	4.51%	10.55%	4.96%	11.60%	5.45%
CUSTOMER DEPOSITS	407,595,129	-	407,595,129	1.06%	2.10%	0.02%	2.10%	0.02%	2.10%	0.02%
DEFERRED INCOME TAX	7,919,964,309	-	7,919,964,309	20.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	346,442,312	-	346,442,312	0.90%	7.59%	0.07%	8.21%	0.07%	8.83%	0.08%
TOTAL	\$ 38,317,537,265	\$ -	\$ 38,317,537,265	100.00%		5.92%		6.37%		6.87%

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	\$ 12,555,869,167	\$ -	\$ 12,555,869,167	31.50%	4.22%	1.33%	4.22%	1.33%	4.22%	1.33%
SHORT TERM DEBT	398,665,760	-	398,665,760	1.00%	3.70%	0.04%	3.70%	0.04%	3.70%	0.04%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,142,434,742	-	18,142,434,742	45.52%	9.60%	4.37%	10.55%	4.80%	11.60%	5.28%
CUSTOMER DEPOSITS	421,125,686	-	421,125,686	1.06%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX	7,967,322,988	-	7,967,322,988	19.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	374,306,187	-	374,306,187	0.94%	7.37%	0.07%	7.96%	0.07%	8.55%	0.08%
TOTAL	\$ 39,859,724,530	\$ -	\$ 39,859,724,530	100.00%		5.83%		6.27%		6.75%

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	\$ 2,896,487,056
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	20,515,065
INCOME TAXES	<u>441,628,858</u>
TOTAL	<u>\$ 3,358,630,980</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 590,661,932</u>
TIMES INTEREST EARNED WITH AFUDC	<u>5.69</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,896,487,056
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(72,190,312)
INCOME TAXES	<u>441,628,858</u>
TOTAL	<u>\$ 3,265,925,602</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 590,661,932</u>
TIMES INTEREST EARNED WITHOUT AFUDC	<u>5.53</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 20,515,065
X (1 - INCOME_TAX_RATE)	<u>0.7466</u>
SUBTOTAL	<u>\$ 15,315,522</u>
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	<u>72,190,312</u>
TOTAL	<u>\$ 87,505,834</u>
NET INCOME AVAILABLE FOR COMMON	<u>\$ 2,326,340,189</u>
AFUDC AS PERCENT OF NET INCOME	<u>3.76%</u>

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 187,378,284
GAINS ON DISPOSITION OF PROPERTY	(5,873,563)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	<u>0</u>
	<u>\$ 181,504,721</u>

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 2,326,340,189
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(2,700,000,000)
AFUDC (DEBT & OTHER)	(92,705,378)
DEPRECIATION AND AMORTIZATION EXPENSE	2,549,349,751
DEFERRED INCOME TAXES	(63,702,001)
INVESTMENT TAX CREDITS	88,175,358
OTHER SOURCE/USES OF FUNDS	<u>181,504,721</u>
INTERNALLY GENERATED FUNDS	<u>\$ 2,288,962,640</u>

CONSTRUCTION EXPENDITURES \$ 5,301,907,188

PERCENT INTERNALLY GENERATED FUNDS 43.17%

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	\$ 10,980,396,232
JURIS ADJUSTED SHORT TERM DEBT	655,428,411
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	<u>18,007,710,872</u>
TOTAL	<u>\$ 29,643,535,514</u>
LTD TO TOTAL INVESTOR FUNDS	<u>37.04%</u>
STD TO TOTAL INVESTOR FUNDS	<u>2.21%</u>

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.87%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	1.25%
SHORT TERM DEBT	0.07%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	<u>0.07%</u>
SUBTOTAL	<u>1.42%</u>
TOTAL	<u>5.45%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>47.00%</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	6.54%
LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.25%
SHORT TERM DEBT	0.07%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	0.07%
SUBTOTAL	<u>1.42%</u>
PRO FORMA ROR LESS NON EQUITY COST	<u>5.12%</u>
PRO FORMA COMMON EQUITY RATIO	47.00%
PRO FORMA RETURN ON COMMON EQUITY	10.90%

	AMOUNT	RELATED ORDER
Rollover Reserve Amount - 12/31/2016 ⁽¹⁾	\$ 252,100,355	
Depreciation Reserve Surplus Approved by FPSC - 1/1/2017	\$ 1,000,000,000	PSC-16-0560-AS-EI
Total Reserve Amount Available Under Current Settlement Agreement	\$ 1,252,100,355	
Actual Amortization from 1/1/2017 - 12/31/2017:		
January, 2017	\$ (125,223,511)	
February, 2017	\$ (35,682,879)	
March, 2017	\$ (52,328,640)	
April, 2017	\$ 26,451,730	
May, 2017	\$ (36,038,470)	
June, 2017	\$ (7,408,419)	
July, 2017	\$ 25,671,697	
August, 2017	\$ 22,847,456	
September, 2017	\$ 75,509,428	
October, 2017	\$ 54,523,942	
November, 2017	\$ (52,119,437)	
December, 2017 ⁽²⁾	\$ (1,148,303,252)	
Total Amortization from 1/1/2017 - 12/31/2017	\$ (1,252,100,355)	
Remaining Reserve Amount - 12/31/2017	<u>\$0</u>	
Actual Amortization from 1/1/2018 - 12/31/2018:		
January, 2018	\$ -	
February, 2018	\$ -	
March, 2018	\$ -	
April, 2018	\$ -	
May, 2018	\$ -	
June, 2018	\$ -	
July, 2018	\$ 51,958,256	
August, 2018	\$ 55,277,885	
September, 2018	\$ 193,713,805	
October, 2018	\$ 125,007,557	
November, 2018	\$ 14,253,285	
December, 2018	\$ 100,738,501	
Total Amortization from 1/1/2018 - 12/31/2018	\$ 540,949,289	
Remaining Reserve Amount - 12/31/2018	<u>\$540,949,289</u>	
Actual Amortization from 1/1/2019 - 12/31/2019:		
January, 2019	\$ (84,875,022)	
February, 2019	\$ (33,423,808)	
March, 2019	\$ (37,487,852)	
April, 2019	\$ (1,238,828)	
May, 2019	\$ 48,530,293	
June, 2019	\$ 173,309,107	
July, 2019	\$ 86,035,009	
August, 2019	\$ 52,771,234	
September, 2019	\$ 172,044,151	
Total Amortization from 1/1/2019 - 9/30/2019	\$ 375,664,284	
Reduction in Total Reserve Amount Available Under Current Settlement Agreement	\$ (5,000,000)	PSC-2019-0319-S-EI
Remaining Reserve Amount - 9/30/2019	<u>\$911,613,573</u>	

Notes:

- (1) Rollover Reserve Amount provided pursuant to Order No. PSC-16-0560-AS-EI, Docket Nos. 160021-EI, 160061-EI, 160062-EI, and 160088-EI.
(2) The December 2017 amortization amount is a partial offset to the \$1.3 billion Hurricane Irma restoration cost write-off.
(3) Available Reserve Amount reduction pursuant to Order No. PSC-2019-0319-S-EI, Docket No. 20180049-EI.