



December 16, 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 October 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 October 31, 2019 is \$1,069,347,435.

Sincerely,

A handwritten signature in black ink, appearing to read 'Keith Ferguson', written over a horizontal line.

Keith Ferguson
Vice President Accounting & Controller

Enclosures

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
EARNINGS SURVEILLANCE REPORT SUMMARY
OCTOBER, 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	\$ 2,841,678,720 (A)	(198,349,382) (B)	2,643,329,339	(150,723,052)	\$ 2,492,606,287
RATE BASE	\$ 38,001,789,375	586,480,494	38,588,269,870	0	\$ 38,588,269,870
AVERAGE RATE OF RETURN	7.48%		6.85%		6.46%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,841,678,720 (A)	(189,710,365) (B)	2,651,968,355	(150,723,052)	\$ 2,501,245,303
RATE BASE	\$ 39,156,688,576	770,218,047	39,926,906,622	0	\$ 39,926,906,622
YEAR END RATE OF RETURN	7.26%		6.64%		6.26%

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

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

LOW	5.91%
MIDPOINT	6.36%
HIGH	6.86%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	5.62	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	5.47	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	3.59%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	45.40%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	37.40%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	2.22%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.60%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.76%	(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)

(SIGNATURE)

(DATE)

12/16/19

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
OCTOBER, 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	\$ 51,321,957,104	15,648,782,548	35,673,174,556	415,674,058	3,151,496,350	603,695,714	39,844,040,678	(306,062,926)	\$ 39,537,977,752
JURISDICTIONAL PER BOOKS	\$ 49,230,126,968	12,570,181,896	36,659,945,072	394,059,075	2,996,874,454	573,951,953	40,624,830,553	(2,623,041,177)	\$ 38,001,789,375
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,167,066,465)	(705,945,606)	(1,461,120,859)	0	(1,619,702,835)	0	(3,080,823,695)	3,667,304,189	\$ 586,480,494
FPSC ADJUSTED:	\$ 47,063,060,502	11,864,236,290	35,198,824,212	394,059,075	1,377,171,618	573,951,953	37,544,006,858	1,044,263,012	\$ 38,588,269,870
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 47,063,060,502	11,864,236,290	35,198,824,212	394,059,075	1,377,171,618	573,951,953	37,544,006,858	1,044,263,012	\$ 38,588,269,870

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
OCTOBER, 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	\$ 11,905,175,506	3,339,857,303	1,320,391,497	2,585,267,384	1,348,157,210	410,483,510	(52,504,135)	87,709,939	(5,802,699)	9,033,560,009	\$ 2,871,615,497
JURISDICTIONAL PER BOOKS	\$ 11,471,672,554	3,181,437,207	1,275,678,604	2,510,142,120	1,327,311,702	393,519,231	(51,647,363)	84,516,742	(5,802,680)	8,715,155,561	\$ 2,756,516,992
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (497,692,375)	0	0	0	(12,800,648)	(122,895,808)	0	0	0	(135,696,456)	\$ (361,995,919)
FRANCHISE EXPENSE	0	0	0	0	(485,025,461)	122,929,703	0	0	0	(362,095,758)	362,095,758
GROSS RECEIPTS TAX	(262,973,090)	0	0	0	(262,725,727)	(62,694)	0	0	0	(262,788,421)	(184,669)
FINANCIAL PLANNING SERVICES	0	0	(488,870)	0	0	123,904	0	0	0	(364,966)	364,966
INDUSTRY ASSOCIATION DUES	0	0	(1,907,663)	0	0	483,497	0	0	0	(1,424,166)	1,424,166
ECONOMIC DEVELOPMENT 5%	0	0	(152,435)	0	0	38,635	0	0	0	(113,800)	113,800
AVIATION - EXPENSES	0	0	(134,807)	0	0	34,167	0	0	0	(100,640)	100,640
EXECUTIVE COMPENSATION	0	0	(35,975,022)	0	0	9,117,869	0	0	0	(26,857,152)	26,857,152
FUEL COST REC RETAIL	(3,014,536,350)	(2,998,709,388)	(799,259)	143,712	(2,114,494)	(18,716,771)	15,407,494	0	0	(3,004,788,706)	(9,747,645)
CONSERVATION COST RECOVERY	(56,077,671)	0	(43,686,401)	(9,763,731)	(1,017,482)	(407,597)	(472)	0	0	(54,875,683)	(1,201,987)
CAPACITY COST RECOVERY	(263,362,464)	(162,506,000)	(28,335,905)	(10,384,756)	(322,494)	(16,854,857)	1,188,274	0	0	(217,215,738)	(46,146,726)
ENVIRONMENTAL COST RECOVERY	(173,932,482)	0	(30,737,508)	(38,512,327)	(293,112)	(23,245,563)	(3,212,062)	0	380	(96,000,190)	(77,932,292)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(239,416)	0	60,680	0	0	0	(178,736)	178,736
STORM DEFICIENCY RECOVERY	(84,242,555)	0	(1,029,698)	(82,195,198)	0	(257,926)	0	0	0	(83,482,822)	(759,733)
INTEREST TAX DEFICIENCIES	0	0	298,144	0	0	(75,564)	0	0	0	222,579	(222,579)
INTEREST SYNCHRONIZATION	0	0	0	0	0	10,985,976	(4,854,655)	0	0	6,131,321	(6,131,321)
TOTAL FPSC ADJUSTMENTS	\$ (4,352,816,988)	(3,161,215,389)	(142,949,424)	(140,951,715)	(764,299,417)	(38,742,349)	8,528,579	0	380	(4,239,629,334)	\$ (113,187,654)
FPSC ADJUSTED	\$ 7,118,855,566	20,221,818	1,132,729,180	2,369,190,404	563,012,286	354,776,882	(43,118,784)	84,516,742	(5,802,300)	4,475,526,227	\$ 2,643,329,339
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (201,939,136)	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,916,916,430	20,221,818	1,132,729,180	2,369,190,404	562,867,099	303,705,984	(43,118,784)	84,516,742	(5,802,300)	4,424,310,143	\$ 2,492,606,287
 (A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY											
	\$ 88,472,778										
	\$ 85,161,728										
 (B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 3,145,682										
ON A JURISDICTIONAL BASIS	\$ 3,048,696										
 CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	\$ 1,088,166,301	300,041,489	107,296,769	319,399,157	116,335,595	56,330,925	(20,019,128)	(1,075,767)	(447,993)	877,861,046	\$ 210,305,254
JURISDICTIONAL PER BOOKS	\$ 1,052,117,236	287,442,318	104,016,715	309,971,459	114,715,356	54,233,120	(19,271,195)	(1,036,602)	(447,991)	849,623,181	\$ 202,494,055

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
OCTOBER, 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)	\$ (201,939,136)	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)
TOTAL PROFORMA ADJUSTMENTS	\$ (201,939,136)	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)

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
OCTOBER, 2019

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,497,469,031	\$ 1,428,305,881
FUEL AND CAPACITY	165,290,181	158,041,975
CAPITALIZED EXECUTIVE COMPENSATION	33,046,894	32,028,011
LOAD CONTROL	48,729,674	48,729,674
ASSET RETIREMENT OBLIGATION	433,291,300	419,932,303
CAPITAL LEASES	82,574,513	80,028,622
TOTAL	<u>\$ 2,260,401,593</u>	<u>\$ 2,167,066,465</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (331,685,317)	\$ (316,365,868)
ACCUM PROV DECOMMISSIONING COSTS	(4,718,442,775)	(4,516,981,522)
ASSET RETIREMENT OBLIGATION	(22,735,202)	(22,034,243)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,377,828,473	4,242,853,702
FUEL AND CAPACITY	(46,196,838)	(44,035,559)
OTHER RATE CASE ADJUSTMENTS (1)	(19,133)	(18,417)
LOAD CONTROL	(27,403,956)	(27,403,956)
CAPITAL LEASES	(22,658,333)	(21,959,744)
TOTAL	<u>\$ (791,313,082)</u>	<u>\$ (705,945,606)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,647,606,340	\$ 1,545,838,387
CWIP - CLAUSE PROJECTS	77,179,764	73,864,449
TOTAL	<u>\$ 1,724,786,104</u>	<u>\$ 1,619,702,835</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)	\$ (3,760,181,320)	\$ (3,667,304,189)
TOTAL ADJUSTMENTS	<u>\$ (566,306,704)</u>	<u>\$ (586,480,494)</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
OCTOBER, 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	\$ 11,905,175,506	3,339,857,303	1,320,391,497	2,585,267,384	1,348,157,210	410,483,510	(52,504,135)	87,709,939	(5,802,699)	9,033,560,009	\$ 2,871,615,497
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (497,692,375)	0	0	0	(12,800,648)	(123,325,931)	0	0	0	(136,126,579)	\$ (361,565,796)
FRANCHISE EXPENSE	0	0	0	0	(485,025,461)	123,359,826	0	0	0	(361,665,635)	361,665,635
GROSS RECEIPTS TAX	(262,973,090)	0	0	0	(262,725,727)	(63,071)	0	0	0	(262,788,798)	(184,292)
FINANCIAL PLANNING SERVICES	0	0	(504,422)	0	0	128,062	0	0	0	(376,361)	376,361
INDUSTRY ASSOCIATION DUES	0	0	(1,968,350)	0	0	501,422	0	0	0	(1,466,928)	1,466,928
ECONOMIC DEVELOPMENT 5%	0	0	(157,284)	0	0	40,151	0	0	0	(117,133)	117,133
AVIATION - EXPENSES	0	0	(139,096)	0	0	35,434	0	0	0	(103,661)	103,661
EXECUTIVE COMPENSATION	0	0	(37,119,468)	0	0	9,440,860	0	0	0	(27,678,609)	27,678,609
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY	(3,158,204,769)	(3,148,810,794)	(839,898)	151,019	(2,115,820)	(17,597,340)	15,946,823	0	0	(3,153,266,009)	(4,938,759)
CONSERVATION COST RECOVERY	(56,077,671)	0	(43,686,401)	(9,763,731)	(1,017,482)	(409,097)	(472)	0	0	(54,877,184)	(1,200,487)
CAPACITY COST RECOVERY	(263,751,294)	(169,756,962)	(29,600,243)	(10,912,177)	(328,703)	(14,711,456)	1,188,274	0	0	(224,121,267)	(39,630,027)
ENVIRONMENTAL COST RECOVERY	(173,932,482)	0	(32,225,916)	(40,377,218)	(301,241)	(22,483,568)	(3,212,062)	0	399	(98,599,606)	(75,332,876)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(248,724)	0	63,039	0	0	0	(185,685)	185,685
STORM DEFICIENCY RECOVERY	(84,242,555)	0	(1,029,698)	(82,195,198)	0	(261,203)	0	0	0	(83,486,099)	(756,456)
INTEREST TAX DEFICIENCIES	0	0	307,628	0	0	(78,347)	0	0	0	229,282	(229,282)
INTEREST SYNCHRONIZATION	0	0	0	0	0	11,272,387	(5,009,093)	0	0	6,263,294	(6,263,294)
TOTAL FPSC ADJUSTMENTS	\$ (4,496,874,235)	(3,318,567,756)	(146,963,149)	(143,346,029)	(764,315,081)	(34,088,833)	8,913,470	0	399	(4,398,366,978)	\$ (98,507,257)
FPSC ADJUSTED	\$ 7,408,301,271	21,289,547	1,173,428,348	2,441,921,355	583,842,129	376,394,677	(43,590,665)	87,709,939	(5,802,300)	4,635,193,032	\$ 2,773,108,239
PRO FORMA ADJUSTMENTS											
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ (201,939,136)	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,206,362,135	21,289,547	1,173,428,348	2,441,921,355	583,696,942	325,323,779	(43,590,665)	87,709,939	(5,802,300)	4,583,976,947	\$ 2,622,385,187

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

\$ 88,472,778

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
OCTOBER, 2019

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	33,906,033	33,242,032
INTEREST & DIVIDENDS RECEIVABLE	639,980	627,447
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC	158,628,105	158,448,990
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	13,838,878	13,838,878
PREPAYMENTS - ECCR	45,165,434	45,165,434
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	7,021,597	6,758,817
TEMPORARY CASH INVESTMENTS	1,503,231	1,473,792
STORM DEFICIENCY RECOVERY	25,626,259	25,626,259
NUCLEAR COST RECOVERY	0	0
JOBGING ACCOUNTS	41,505,003	40,692,187
OTH REG ASSETS - CLAUSES	1,337,955	1,273,218
MISC. DEFFERED DEBIT - CLAUSES	3,077,113	2,928,224
CEDAR BAY TRANSACTION	514,477,596	492,502,313
ICL TRANSACTION	334,444,444	320,159,058
SJRPP TRANSACTION	113,698,590	108,447,254
EARLY RETIRED ASSETS	102,582,380	98,049,164
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,397,452,597	\$ 1,349,233,067
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	7,692,308	0
ACCUM DEFERRED RETIREMENT BENEFITS	(205,859)	(199,512)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(57,140,689)	(57,140,689)
ACCUM. PROV. - RATE REFUNDS	0	0
GAIN ON SALE OF EMISSION ALLOWANCE	(499)	(476)
JOBGING ACCOUNTS	(34,933,862)	(34,249,733)
POLE ATTACHMENT RENTS PAYABLE	(6,614,816)	(6,614,816)
SJRPP ACCELERATED RECOVERY	(6,459,518)	(6,183,607)
STORM DEFICIENCY RECOVERY	(24,990,101)	(24,990,101)
ASSET RETIREMENT OBLIGATION	(4,788,384,570)	(4,640,751,762)
MARGIN CALL CASH COLLATERAL	(661,538)	(648,583)
NUCLEAR COST RECOVERY	(241,795,710)	(241,795,710)
CEDAR BAY TRANSACTION	(4,139,061)	(3,962,266)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (5,157,633,916)	\$ (5,016,537,256)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,760,181,320)	\$ (3,667,304,189)

NOTES:

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
OCTOBER, 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)	\$ (201,939,136)	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)
TOTAL PROFORMA ADJUSTMENTS	\$ (201,939,136)	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)

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
OCTOBER, 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	\$ 53,289,519,111	16,059,656,856	37,229,862,255	448,067,710	3,188,687,918	614,715,815	41,481,333,698	(306,062,926)	\$ 41,175,270,772
JURISDICTIONAL PER BOOKS	\$ 51,120,662,034	13,385,046,700	37,735,615,334	425,163,821	3,034,521,499	584,429,099	41,779,729,753	(2,623,041,177)	\$ 39,156,688,576
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,161,469,714)	(745,684,587)	(1,415,785,127)	0	(1,481,301,015)	0	(2,897,086,143)	3,667,304,189	\$ 770,218,047
FPSC ADJUSTED:	\$ 48,959,192,319	12,639,362,113	36,319,830,206	425,163,821	1,553,220,483	584,429,099	38,882,643,610	1,044,263,012	\$ 39,926,906,622
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 48,959,192,319	12,639,362,113	36,319,830,206	425,163,821	1,553,220,483	584,429,099	38,882,643,610	1,044,263,012	\$ 39,926,906,622

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
OCTOBER, 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	\$ 11,905,175,506	3,339,857,303	1,320,391,497	2,585,267,384	1,348,157,210	410,483,510	(52,504,135)	87,709,939	(5,802,699)	9,033,560,009	\$ 2,871,615,497
JURISDICTIONAL PER BOOKS	\$ 11,471,672,554	3,181,437,207	1,275,678,604	2,510,142,120	1,327,311,702	393,519,231	(51,647,363)	84,516,742	(5,802,680)	8,715,155,561	\$ 2,756,516,992
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (497,692,375)	0	0	0	(12,800,648)	(122,895,808)	0	0	0	(135,696,456)	\$ (361,995,919)
FRANCHISE EXPENSE	0	0	0	0	(485,025,461)	122,929,703	0	0	0	(362,095,758)	362,095,758
GROSS RECEIPTS TAX	(262,973,090)	0	0	0	(262,725,727)	(62,694)	0	0	0	(262,788,421)	(184,669)
FINANCIAL PLANNING SERVICES	0	0	(488,870)	0	0	123,904	0	0	0	(364,966)	364,966
INDUSTRY ASSOCIATION DUES	0	0	(1,907,663)	0	0	483,497	0	0	0	(1,424,166)	1,424,166
ECONOMIC DEVELOPMENT 5%	0	0	(152,435)	0	0	38,635	0	0	0	(113,800)	113,800
AVIATION - EXPENSES	0	0	(134,807)	0	0	34,167	0	0	0	(100,640)	100,640
EXECUTIVE COMPENSATION	0	0	(35,975,022)	0	0	9,117,869	0	0	0	(26,857,152)	26,857,152
FUEL COST REC RETAIL	(3,014,536,350)	(2,998,709,388)	(799,259)	143,712	(2,114,494)	(18,716,771)	15,407,494	0	0	(3,004,788,706)	(9,747,645)
CONSERVATION COST RECOVERY	(56,077,671)	0	(43,686,401)	(9,763,731)	(1,017,482)	(407,597)	(472)	0	0	(54,875,683)	(1,201,987)
CAPACITY COST RECOVERY	(263,362,464)	(162,506,000)	(28,335,905)	(10,384,756)	(322,494)	(16,854,857)	1,188,274	0	0	(217,215,738)	(46,146,726)
ENVIRONMENTAL COST RECOVERY	(173,932,482)	0	(30,737,508)	(38,512,327)	(293,112)	(23,245,563)	(3,212,062)	0	380	(96,000,190)	(77,932,292)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(239,416)	0	60,680	0	0	0	(178,736)	178,736
STORM DEFICIENCY RECOVERY	(84,242,555)	0	(1,029,698)	(82,195,198)	0	(257,926)	0	0	0	(83,482,822)	(759,733)
INTEREST TAX DEFICIENCIES	0	0	298,144	0	0	(75,564)	0	0	0	222,579	(222,579)
INTEREST SYNCHRONIZATION	0	0	0	0	0	2,346,960	(4,854,655)	0	0	(2,507,696)	2,507,696
TOTAL FPSC ADJUSTMENTS	\$ (4,352,816,988)	(3,161,215,389)	(142,949,424)	(140,951,715)	(764,299,417)	(47,381,365)	8,528,579	0	380	(4,248,268,351)	\$ (104,548,637)
FPSC ADJUSTED	\$ 7,118,855,566	20,221,818	1,132,729,180	2,369,190,404	563,012,286	346,137,866	(43,118,784)	84,516,742	(5,802,300)	4,466,887,211	\$ 2,651,968,355
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (201,939,136)	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,916,916,430	20,221,818	1,132,729,180	2,369,190,404	562,867,099	295,066,968	(43,118,784)	84,516,742	(5,802,300)	4,415,671,126	\$ 2,501,245,303
 (A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 88,472,778 AND THE JURISDICTIONAL NOI BY \$ 85,161,728											

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
OCTOBER, 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)	\$ (201,939,136)	0	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)
TOTAL PROFORMA ADJUSTMENTS	\$ (201,939,136)	0	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)

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
OCTOBER, 2019

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,481,184,077	\$ 1,412,773,075
FUEL AND CAPACITY	172,164,785	164,623,551
CAPITALIZED EXECUTIVE COMPENSATION	36,562,208	35,434,942
LOAD CONTROL	44,228,032	44,228,032
ASSET RETIREMENT OBLIGATION	418,061,963	405,172,509
CAPITAL LEASES	102,394,577	99,237,605
TOTAL	\$ 2,254,595,642	\$ 2,161,469,714
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (349,508,106)	\$ (333,365,480)
ACCUM PROV DECOMMISSIONING COSTS	(4,933,392,034)	(4,722,753,188)
ASSET RETIREMENT OBLIGATION	(23,306,403)	(22,587,833)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,578,130,444	4,436,980,074
FUEL AND CAPACITY	(49,634,095)	(47,326,610)
OTHER RATE CASE ADJUSTMENTS (1)	(248,724)	(239,416)
LOAD CONTROL	(24,416,744)	(24,416,744)
CAPITAL LEASES	(32,992,600)	(31,975,390)
TOTAL	\$ (835,368,262)	\$ (745,684,587)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,491,671,197	\$ 1,398,307,581
CWIP - CLAUSE PROJECTS	86,752,770	82,993,435
TOTAL	\$ 1,578,423,967	\$ 1,481,301,015
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)	\$ (3,760,181,320)	\$ (3,667,304,189)
TOTAL ADJUSTMENTS	\$ (762,529,972)	\$ (770,218,047)

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
OCTOBER, 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	\$ 11,905,175,506	3,339,857,303	1,320,391,497	2,585,267,384	1,348,157,210	410,483,510	(52,504,135)	87,709,939	(5,802,699)	9,033,560,009	\$ 2,871,615,497
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (497,692,375)	0	0	0	(12,800,648)	(123,325,931)	0	0	0	(136,126,579)	\$ (361,565,796)
FRANCHISE EXPENSE	0	0	0	0	(485,025,461)	123,359,826	0	0	0	(361,665,635)	361,665,635
GROSS RECEIPTS TAX	(262,973,090)	0	0	0	(262,725,727)	(63,071)	0	0	0	(262,788,798)	(184,292)
FINANCIAL PLANNING SERVICES	0	0	(504,422)	0	0	128,062	0	0	0	(376,361)	376,361
INDUSTRY ASSOCIATION DUES	0	0	(1,968,350)	0	0	501,422	0	0	0	(1,466,928)	1,466,928
ECONOMIC DEVELOPMENT 5%	0	0	(157,284)	0	0	40,151	0	0	0	(117,133)	117,133
AVIATION - EXPENSES	0	0	(139,096)	0	0	35,434	0	0	0	(103,661)	103,661
EXECUTIVE COMPENSATION	0	0	(37,119,468)	0	0	9,440,860	0	0	0	(27,678,609)	27,678,609
FUEL COST REC RETAIL	(3,158,204,769)	(3,148,810,794)	(839,898)	151,019	(2,115,820)	(17,597,340)	15,946,823	0	0	(3,153,266,009)	(4,938,759)
CONSERVATION COST RECOVERY	(56,077,671)	0	(43,686,401)	(9,763,731)	(1,017,482)	(409,097)	(472)	0	0	(54,877,184)	(1,200,487)
CAPACITY COST RECOVERY	(263,751,294)	(169,756,962)	(29,600,243)	(10,912,177)	(328,703)	(14,711,456)	1,188,274	0	0	(224,121,267)	(39,630,027)
ENVIRONMENTAL COST RECOVERY	(173,932,482)	0	(32,225,916)	(40,377,218)	(301,241)	(22,483,568)	(3,212,062)	0	399	(98,599,606)	(75,332,876)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(248,724)	0	63,039	0	0	0	(185,685)	185,685
STORM DEFICIENCY RECOVERY	(84,242,555)	0	(1,029,698)	(82,195,198)	0	(261,203)	0	0	0	(83,486,099)	(756,456)
INTEREST TAX DEFICIENCIES	0	0	307,628	0	0	(78,347)	0	0	0	229,282	(229,282)
INTEREST SYNCHRONIZATION	0	0	0	0	0	732,421	(5,009,093)	0	0	(4,276,672)	4,276,672
TOTAL FPSC ADJUSTMENTS	\$ (4,496,874,235)	(3,318,567,756)	(146,963,149)	(143,346,029)	(764,315,081)	(44,628,799)	8,913,470	0	399	(4,408,906,944)	\$ (87,967,291)
FPSC ADJUSTED	\$ 7,408,301,271	21,289,547	1,173,428,348	2,441,921,355	583,842,129	365,854,711	(43,590,665)	87,709,939	(5,802,300)	4,624,653,065	\$ 2,783,648,206
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ (201,939,136)	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,206,362,135	21,289,547	1,173,428,348	2,441,921,355	583,696,942	314,783,813	(43,590,665)	87,709,939	(5,802,300)	4,573,436,981	\$ 2,632,925,154
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 88,472,778										

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
OCTOBER, 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)	\$ (201,939,136)	0	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)
TOTAL PROFORMA ADJUSTMENTS	\$ (201,939,136)	0	0	0	0	(145,187)	(51,070,898)	0	0	0	(51,216,084)	\$ (150,723,052)

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
OCTOBER, 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	\$ 11,426,162,427			\$ 10,979,239,848	\$ 281,624,343	\$ (81,357,019)	\$ 11,179,507,172	28.97%	4.36%
SHORT TERM DEBT	673,589,934	647,174,588	16,724,360	0	663,898,948	1.72%	3.79%	0.07%	3.79%	0.07%	3.79%	0.07%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,312,132,236	17,594,007,925	454,666,379	-	18,048,674,304	46.77%	9.60%	4.49%	10.55%	4.93%	11.60%	5.43%
CUSTOMER DEPOSITS	399,298,275	398,873,037	10,307,723	(0)	409,180,760	1.06%	2.10%	0.02%	2.10%	0.02%	2.10%	0.02%
DEFERRED INCOME TAX (1)	8,236,485,280	7,912,332,727	199,863,832	(178,297,374)	7,933,899,185	20.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	490,309,599	470,161,250	8,895,225	(125,946,975)	353,109,501	0.92%	7.56%	0.07%	8.18%	0.07%	8.80%	0.08%
TOTAL	\$ 39,537,977,752	\$ 38,001,789,375	\$ 972,081,862	\$ (385,601,368)	\$ 38,588,269,870	100.00%		5.91%		6.36%		6.86%

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	\$ 12,941,237,286			\$ 12,301,661,785	\$ 366,052,400	\$ (90,550,356)	\$ 12,577,163,829	31.50%	4.24%
SHORT TERM DEBT	283,156,242	269,115,114	8,067,262	(0)	277,182,376	0.69%	4.14%	0.03%	4.14%	0.03%	4.14%	0.03%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,703,366,565	17,775,905,552	532,868,194	(0)	18,308,773,746	45.86%	9.60%	4.40%	10.55%	4.84%	11.60%	5.32%
CUSTOMER DEPOSITS	413,740,384	413,241,732	12,387,744	(0)	425,629,477	1.07%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX (1)	8,321,877,476	7,909,890,621	231,769,916	(178,297,374)	7,963,363,162	19.94%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	511,892,818	486,873,772	10,908,203	(122,987,943)	374,794,032	0.94%	7.39%	0.07%	7.98%	0.07%	8.57%	0.08%
TOTAL	\$ 41,175,270,772	\$ 39,156,688,576	\$ 1,162,053,719	\$ (391,835,672)	\$ 39,926,906,622	100.00%		5.86%		6.30%		6.79%

NOTE:

(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$3,033 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
OCTOBER, 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	\$ 11,179,507,172	\$ -	\$ 11,179,507,172	28.97%	4.36%	1.26%	4.36%	1.26%	4.36%	1.26%
SHORT TERM DEBT	663,898,948	-	663,898,948	1.72%	3.79%	0.07%	3.79%	0.07%	3.79%	0.07%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,048,674,304	-	18,048,674,304	46.77%	9.60%	4.49%	10.55%	4.93%	11.60%	5.43%
CUSTOMER DEPOSITS	409,180,760	-	409,180,760	1.06%	2.10%	0.02%	2.10%	0.02%	2.10%	0.02%
DEFERRED INCOME TAX	7,933,899,185	-	7,933,899,185	20.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	353,109,501	-	353,109,501	0.92%	7.56%	0.07%	8.18%	0.07%	8.80%	0.08%
TOTAL	\$ 38,588,269,870	\$ -	\$ 38,588,269,870	100.00%		5.91%		6.36%		6.86%

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	\$ 12,577,163,829	\$ -	\$ 12,577,163,829	31.50%	4.24%	1.34%	4.24%	1.34%	4.24%	1.34%
SHORT TERM DEBT	277,182,376	-	277,182,376	0.69%	4.14%	0.03%	4.14%	0.03%	4.14%	0.03%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,308,773,746	-	18,308,773,746	45.86%	9.60%	4.40%	10.55%	4.84%	11.60%	5.32%
CUSTOMER DEPOSITS	425,629,477	-	425,629,477	1.07%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX	7,963,363,162	-	7,963,363,162	19.94%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	374,794,032	-	374,794,032	0.94%	7.39%	0.07%	7.98%	0.07%	8.57%	0.08%
TOTAL	\$ 39,926,906,622	\$ -	\$ 39,926,906,622	100.00%		5.86%		6.30%		6.79%

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	\$ 2,900,176,176
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	19,763,634
INCOME TAXES	<u>435,899,259</u>
TOTAL	<u>\$ 3,355,839,069</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 597,249,633</u>
TIMES INTEREST EARNED WITH AFUDC	<u>5.62</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,900,176,176
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(68,709,144)
INCOME TAXES	<u>435,899,259</u>
TOTAL	<u>\$ 3,267,366,292</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 597,249,633</u>
TIMES INTEREST EARNED WITHOUT AFUDC	<u>5.47</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 19,763,634
X (1 - INCOME_TAX_RATE)	<u>0.7466</u>
SUBTOTAL	<u>\$ 14,754,541</u>
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	68,709,144
TOTAL	<u>\$ 83,463,685</u>
NET INCOME AVAILABLE FOR COMMON	<u>\$ 2,322,690,177</u>
AFUDC AS PERCENT OF NET INCOME	<u>3.59%</u>

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 240,612,680
GAINS ON DISPOSITION OF PROPERTY	(5,802,699)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	<u>0</u>
	<u>\$ 234,809,981</u>

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 2,322,690,177
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(2,700,000,000)
AFUDC (DEBT & OTHER)	(88,472,778)
DEPRECIATION AND AMORTIZATION EXPENSE	2,585,267,384
DEFERRED INCOME TAXES	(63,658,285)
INVESTMENT TAX CREDITS	87,709,939
OTHER SOURCE/USES OF FUNDS	<u>234,809,981</u>
INTERNALLY GENERATED FUNDS	<u>\$ 2,378,346,418</u>

CONSTRUCTION EXPENDITURES \$ 5,239,180,607

PERCENT INTERNALLY GENERATED FUNDS 45.40%

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	\$ 11,179,507,172
JURIS ADJUSTED SHORT TERM DEBT	663,898,948
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	<u>18,048,674,304</u>
TOTAL	<u>\$ 29,892,080,424</u>
LTD TO TOTAL INVESTOR FUNDS	<u>37.40%</u>
STD TO TOTAL INVESTOR FUNDS	<u>2.22%</u>

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.85%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	1.26%
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>5.43%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>46.77%</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	6.46%
LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:	
LONG TERM DEBT	1.26%
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>5.04%</u>
PRO FORMA COMMON EQUITY RATIO	46.77%
PRO FORMA RETURN ON COMMON EQUITY	10.76%

RESERVE AMOUNT BALANCE AS OF OCTOBER 31, 2019

ATTACHMENT 1

	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	
October, 2019	\$ 157,733,862	
Total Amortization from 1/1/2019 - 10/31/2019	\$ 533,398,146	
Reduction in Total Reserve Amount Available Under Current Settlement Agreement	\$ (5,000,000)	PSC-2019-0319-S-EI
Remaining Reserve Amount - 10/31/2019	<u>\$1,069,347,435</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.