



March 16, 2020

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 January 2020. 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 2020. The balance of the Reserve Amount as of January 31, 2020 is \$778,130,471.

Sincerely,

A handwritten signature in black ink that reads "David Hughes". The signature is written in a cursive, flowing style.

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  
JANUARY, 2020

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	\$ 2,894,874,710 (A)	(193,209,818) (B)	2,701,664,892	(148,038,145)	\$ 2,553,626,747
RATE BASE	\$ 38,728,217,801	923,686,712	39,651,904,513	0	\$ 39,651,904,513
AVERAGE RATE OF RETURN	7.47%		6.81%		6.44%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,894,874,710 (A)	(189,833,834) (B)	2,705,040,876	(148,038,145)	\$ 2,557,002,731
RATE BASE	\$ 40,518,252,293	1,030,804,714	41,549,057,007	0	\$ 41,549,057,007
YEAR END RATE OF RETURN	7.14%		6.51%		6.15%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	5.88%
MIDPOINT	6.33%
HIGH	6.81%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	5.53	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	5.40	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	3.09%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	49.75%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	38.20%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	2.19%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.60%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.80%	(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)

3/16/2020  
\_\_\_\_\_  
(DATE)

*on behalf of Keith Ferguson*

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
RATE BASE  
JANUARY, 2020

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	\$ 52,416,152,511	15,777,398,909	36,638,753,602	435,290,518	3,004,969,282	611,003,449	40,690,016,852	(432,307,270)	\$ 40,257,709,582
JURISDICTIONAL PER BOOKS	\$ 50,295,202,793	12,729,591,549	37,565,611,244	414,022,907	2,858,443,666	579,093,240	41,417,171,058	(2,688,953,257)	\$ 38,728,217,801
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,164,214,080)	(735,037,936)	(1,429,176,144)	0	(1,440,730,667)	0	(2,869,906,811)	3,793,593,524	\$ 923,686,712
FPSC ADJUSTED:	\$ 48,130,988,713	11,994,553,613	36,136,435,099	414,022,907	1,417,712,999	579,093,240	38,547,264,246	1,104,640,267	\$ 39,651,904,513
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 48,130,988,713	11,994,553,613	36,136,435,099	414,022,907	1,417,712,999	579,093,240	38,547,264,246	1,104,640,267	\$ 39,651,904,513

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  
JANUARY, 2020

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	\$ 11,836,993,611	3,254,123,796	1,578,640,611	2,280,136,428	1,349,722,695	369,188,854	(44,672,558)	115,517,304	(5,003,717)	8,897,653,414	\$ 2,939,340,197
JURISDICTIONAL PER BOOKS	\$ 11,409,196,534	3,104,702,556	1,532,126,200	2,206,673,685	1,329,613,179	353,709,034	(44,743,678)	111,475,188	(5,003,698)	8,588,552,465	\$ 2,820,644,069
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (500,027,829)	0	0	0	(12,860,716)	(122,800,214)	0	0	0	(135,660,930)	\$ (364,366,899)
FRANCHISE EXPENSE	0	0	0	0	(487,292,776)	122,831,890	0	0	0	(364,460,886)	364,460,886
GROSS RECEIPTS TAX	(262,201,211)	0	0	0	(261,949,160)	(63,535)	0	0	0	(262,012,695)	(188,517)
FINANCIAL PLANNING SERVICES	0	0	(475,935)	0	0	119,969	0	0	0	(355,966)	355,966
INDUSTRY ASSOCIATION DUES	0	0	(1,985,493)	0	0	500,483	0	0	0	(1,485,010)	1,485,010
ECONOMIC DEVELOPMENT 5%	0	0	(185,145)	0	0	46,669	0	0	0	(138,475)	138,475
AVIATION - EXPENSES	0	0	(132,385)	0	0	33,370	0	0	0	(99,014)	99,014
EXECUTIVE COMPENSATION	0	0	(37,561,133)	0	0	9,468,035	0	0	0	(28,093,098)	28,093,098
FUEL COST REC RETAIL	(2,949,541,382)	(2,922,082,856)	(801,735)	143,751	(2,077,342)	(58,232,908)	52,285,619	0	0	(2,930,765,471)	(18,775,911)
CONSERVATION COST RECOVERY	(56,833,964)	0	(44,638,808)	(9,555,376)	(1,035,680)	(403,374)	(977)	0	0	(55,634,215)	(1,199,749)
CAPACITY COST RECOVERY	(265,635,010)	(162,828,432)	(29,808,981)	(12,876,327)	(329,323)	(16,295,325)	1,230,268	0	0	(220,908,121)	(44,726,889)
ENVIRONMENTAL COST RECOVERY	(172,933,007)	0	(29,348,936)	(38,178,789)	(305,801)	(25,101,590)	(1,398,550)	0	390	(94,333,275)	(78,599,732)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(896,568)	0	225,998	0	0	0	(670,570)	670,570
STORM DEFICIENCY RECOVERY	(57,063,874)	0	(352,428)	(56,029,800)	0	(171,823)	0	0	0	(56,554,050)	(509,824)
INTEREST TAX DEFICIENCIES	0	0	312,346	0	0	(78,733)	0	0	0	233,613	(233,613)
INTEREST SYNCHRONIZATION	0	0	0	0	0	10,069,497	(4,388,434)	0	0	5,681,063	(5,681,063)
TOTAL FPSC ADJUSTMENTS	\$ (4,264,236,277)	(3,084,911,288)	(144,978,632)	(117,393,109)	(765,850,797)	(79,851,590)	47,727,926	0	390	(4,145,257,099)	\$ (118,979,178)
FPSC ADJUSTED	\$ 7,144,960,257	19,791,268	1,387,147,568	2,089,280,576	563,762,382	273,857,444	2,984,248	111,475,188	(5,003,308)	4,443,295,366	\$ 2,701,664,892
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (198,255,994)	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,946,704,263	19,791,268	1,387,147,568	2,089,280,576	563,619,638	223,782,339	2,984,248	111,475,188	(5,003,308)	4,393,077,516	\$ 2,553,626,747
<b>(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY</b>											
	\$ 77,066,845										
	\$ 74,230,640										
<b>(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:</b>											
ON A TOTAL COMPANY BASIS	\$ 3,822,518										
ON A JURISDICTIONAL BASIS	\$ 3,702,894										
<b>CURRENT MONTH AMOUNT</b>											
SYSTEM PER BOOKS	\$ 807,200,896	204,486,197	98,201,661	50,873,183	107,262,717	(98,337,152)	30,972,749	128,789,392	(89,539)	522,159,208	\$ 285,041,688
JURISDICTIONAL PER BOOKS	\$ 774,707,830	194,694,180	94,592,558	44,510,491	105,427,049	(95,322,382)	30,896,229	124,282,867	(89,539)	498,991,452	\$ 275,716,378

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  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
JANUARY, 2020

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)	\$ (198,255,994)	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)
TOTAL PROFORMA ADJUSTMENTS	\$ (198,255,994)	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)

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  
JANUARY, 2020

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL		
<b>PLANT IN SERVICE:</b>				
ENVIRONMENTAL	\$ 1,484,988,918	\$ 1,417,589,013	\$ 1,413,709,994	
FUEL AND CAPACITY	168,896,278	161,524,006	160,490,468	
CAPITALIZED EXECUTIVE COMPENSATION	34,906,230	33,813,854	33,244,130	
LOAD CONTROL	47,783,043	47,783,043	48,040,421	
ASSET RETIREMENT OBLIGATION	427,935,491	414,543,435	417,336,963	
CAPITAL LEASES	91,834,654	88,960,728	86,307,400	
TOTAL	\$ 2,256,344,614	\$ 2,164,214,080	\$ 2,159,129,376	\$ 5,084,704
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>				
ENVIRONMENTAL	\$ (337,703,695)	\$ (322,376,175)	\$ (318,904,418)	
ACCUM PROV DECOMMISSIONING COSTS	(4,823,652,876)	(4,618,244,662)	(4,564,234,949)	
ASSET RETIREMENT OBLIGATION	(31,399,851)	(30,417,206)	(26,503,924)	
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,475,867,740	4,335,797,402	4,287,432,169	
FUEL AND CAPACITY	(48,078,458)	(45,847,920)	(45,247,602)	
OTHER RATE CASE ADJUSTMENTS (1)	(68,967)	(68,967)	8,476	
LOAD CONTROL	(26,763,880)	(26,763,880)	(26,988,629)	
CAPITAL LEASES	(27,992,542)	(27,116,528)	(25,382,320)	
TOTAL	\$ (819,792,530)	\$ (735,037,936)	\$ (719,821,198)	\$ (15,216,738)
<b>CONSTRUCTION WORK IN PROGRESS:</b>				
CONSTRUCTION WORK IN PROGRESS	\$ 1,457,182,315	\$ 1,365,843,356	\$ 1,451,706,342	\$ 1,116,218,812
CWIP - CLAUSE PROJECTS	78,222,793	74,887,311	72,623,527	
TOTAL	\$ 1,535,405,108	\$ 1,440,730,667	\$ 1,524,329,869	\$ (83,599,202)
<b>NUCLEAR FUEL:</b>				
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0	\$ 0	
NUCLEAR FUEL CAPITAL LEASES	0	0	0	
TOTAL	\$ 0	\$ 0	\$ 0	
<b>WORKING CAPITAL:</b>	\$ (3,899,437,759)	\$ (3,793,593,524)	\$ (3,730,212,705)	\$ (63,380,818)
(SEE SCHEDULE 2, PAGE 3B OF 3)				
<b>TOTAL ADJUSTMENTS</b>	<b>\$ (927,480,567)</b>	<b>\$ (923,686,712)</b>	<b>\$ (766,574,659)</b>	

**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  
JANUARY, 2020

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	\$ 11,836,993,611	3,254,123,796	1,578,640,611	2,280,136,428	1,349,722,695	369,188,854	(44,672,558)	115,517,304	(5,003,717)	8,897,653,414	\$ 2,939,340,197
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (500,027,829)	0	0	0	(12,860,716)	(123,401,027)	0	0	0	(136,261,743)	\$ (363,766,086)
FRANCHISE EXPENSE	0	0	0	0	(487,292,776)	123,432,898	0	0	0	(363,859,878)	363,859,878
GROSS RECEIPTS TAX	(262,201,211)	0	0	0	(261,949,160)	(63,859)	0	0	0	(262,013,019)	(188,192)
FINANCIAL PLANNING SERVICES	0	0	(491,310)	0	0	124,433	0	0	0	(366,877)	366,877
INDUSTRY ASSOCIATION DUES	0	0	(2,049,635)	0	0	519,102	0	0	0	(1,530,533)	1,530,533
ECONOMIC DEVELOPMENT 5%	0	0	(191,126)	0	0	48,378	0	0	0	(142,748)	142,748
AVIATION - EXPENSES	0	0	(136,661)	0	0	34,615	0	0	0	(102,046)	102,046
EXECUTIVE COMPENSATION	0	0	(38,774,566)	0	0	9,819,169	0	0	0	(28,955,397)	28,955,397
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY	(3,086,983,114)	(3,063,161,872)	(842,271)	151,019	(2,078,720)	(58,542,837)	53,228,506	0	0	(3,071,246,175)	(15,736,939)
CONSERVATION COST RECOVERY	(56,833,964)	0	(44,638,808)	(9,555,376)	(1,035,680)	(405,307)	(977)	0	0	(55,636,147)	(1,197,817)
CAPACITY COST RECOVERY	(266,018,678)	(170,066,060)	(31,133,973)	(13,448,673)	(335,736)	(14,164,595)	1,230,268	0	0	(227,918,768)	(38,099,910)
ENVIRONMENTAL COST RECOVERY	(172,933,007)	0	(30,744,345)	(39,994,016)	(314,420)	(24,411,639)	(1,398,550)	0	409	(96,862,561)	(76,070,447)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(896,568)	0	225,998	0	0	0	(670,570)	670,570
STORM DEFICIENCY RECOVERY	(57,063,874)	0	(352,428)	(56,029,800)	0	(172,345)	0	0	0	(56,554,572)	(509,302)
INTEREST TAX DEFICIENCIES	0	0	322,436	0	0	(81,644)	0	0	0	240,792	(240,792)
INTEREST SYNCHRONIZATION	0	0	0	0	0	10,318,314	(4,530,205)	0	0	5,788,109	(5,788,109)
TOTAL FPSC ADJUSTMENTS	\$ (4,402,061,678)	(3,233,227,932)	(149,032,686)	(119,773,413)	(765,867,207)	(76,720,344)	48,529,042	0	409	(4,296,092,133)	\$ (105,969,545)
FPSC ADJUSTED	\$ 7,434,931,933	20,895,864	1,429,607,925	2,160,363,015	583,855,487	292,468,510	3,856,484	115,517,304	(5,003,308)	4,601,561,281	\$ 2,833,370,652
<b>PRO FORMA ADJUSTMENTS</b>											
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ (198,255,994)	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,236,675,939	20,895,864	1,429,607,925	2,160,363,015	583,712,743	242,393,404	3,856,484	115,517,304	(5,003,308)	4,551,343,432	\$ 2,685,332,507

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

\$ 77,066,845

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  
JANUARY, 2020

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>ADJUSTMENTS TO ASSETS PER BOOKS:</b>		
ACCOUNTS RECEIVABLE - ASSOC COS	34,142,336	33,029,950
FUEL CLAUSE – GAS RESERVES	(6)	(6)
INTEREST & DIVIDENDS RECEIVABLE	632,038	611,446
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC	126,231,381	126,464,578
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	14,189,377	14,189,377
PREPAYMENTS - ECCR	44,416,836	44,416,836
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	7,088,641	6,827,766
TEMPORARY CASH INVESTMENTS	1,106,707	1,070,650
STORM DEFICIENCY RECOVERY	10,913,772	10,913,772
NUCLEAR COST RECOVERY	0	0
JOBGING ACCOUNTS	25,460,124	24,630,611
OTH REG ASSETS - CLAUSES	3,996,279	3,803,951
MISC. DEFFERED DEBIT - CLAUSES	4,402,702	4,190,815
CEDAR BAY TRANSACTION	491,780,055	470,851,005
ICL TRANSACTION	321,902,778	308,203,322
SJRPP TRANSACTION	96,686,728	92,448,445
EARLY RETIRED ASSETS	134,371,061	128,272,362
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,317,320,809	\$ 1,269,924,877
<b>ADJUSTMENTS TO LIABILITIES PER BOOKS:</b>		
ACCOUNTS PAYABLE - ASSOC COS	15,384,615	14,883,369
ACCUM DEFERRED RETIREMENT BENEFITS	(234,819)	(227,471)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(38,437,873)	(38,437,873)
ACCUM. PROV. - RATE REFUNDS	0	0
GAIN ON SALE OF EMISSION ALLOWANCE	(431)	(412)
JOBGING ACCOUNTS	(24,430,403)	(23,634,439)
POLE ATTACHMENT RENTS PAYABLE	(6,896,742)	(6,896,742)
SJRPP ACCELERATED RECOVERY	(5,813,566)	(5,566,154)
STORM DEFICIENCY RECOVERY	(37,033,158)	(37,033,158)
ASSET RETIREMENT OBLIGATION	(4,872,403,379)	(4,719,923,631)
MARGIN CALL CASH COLLATERAL	(1,305,769)	(1,263,226)
NUCLEAR COST RECOVERY	(241,630,584)	(241,630,584)
CEDAR BAY TRANSACTION	(3,956,457)	(3,788,079)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (5,216,758,568)	\$ (5,063,518,401)
<b>NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS</b>	<b>\$ (3,899,437,759)</b>	<b>\$ (3,793,593,524)</b>

NOTES:

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
DETAIL OF PRO FORMA ADJUSTMENTS  
JANUARY, 2020

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)	\$ (198,255,994)	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)
TOTAL PROFORMA ADJUSTMENTS	\$ (198,255,994)	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)

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  
JANUARY, 2020

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	\$ 54,700,711,053	16,310,178,542	38,390,532,511	508,968,113	3,159,279,231	608,069,844	42,666,849,698	(432,307,270)	\$ 42,234,542,428
JURISDICTIONAL PER BOOKS	\$ 52,489,991,578	13,347,093,148	39,142,898,431	484,587,400	3,003,406,873	576,312,846	43,207,205,550	(2,688,953,257)	\$ 40,518,252,293
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,136,145,126)	(807,591,542)	(1,328,553,583)	0	(1,434,235,226)	0	(2,762,788,810)	3,793,593,524	\$ 1,030,804,714
FPSC ADJUSTED:	\$ 50,353,846,453	12,539,501,605	37,814,344,847	484,587,400	1,569,171,647	576,312,846	40,444,416,740	1,104,640,267	\$ 41,549,057,007
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 50,353,846,453	12,539,501,605	37,814,344,847	484,587,400	1,569,171,647	576,312,846	40,444,416,740	1,104,640,267	\$ 41,549,057,007

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
JANUARY, 2020

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	\$ 11,836,993,611	3,254,123,796	1,578,640,611	2,280,136,428	1,349,722,695	369,188,854	(44,672,558)	115,517,304	(5,003,717)	8,897,653,414	\$ 2,939,340,197
JURISDICTIONAL PER BOOKS	\$ 11,409,196,534	3,104,702,556	1,532,126,200	2,206,673,685	1,329,613,179	353,709,034	(44,743,678)	111,475,188	(5,003,698)	8,588,552,465	\$ 2,820,644,069
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (500,027,829)	0	0	0	(12,860,716)	(122,800,214)	0	0	0	(135,660,930)	\$ (364,366,899)
FRANCHISE EXPENSE	0	0	0	0	(487,292,776)	122,831,890	0	0	0	(364,460,886)	364,460,886
GROSS RECEIPTS TAX	(262,201,211)	0	0	0	(261,949,160)	(63,535)	0	0	0	(262,012,695)	(188,517)
FINANCIAL PLANNING SERVICES	0	0	(475,935)	0	0	119,969	0	0	0	(355,966)	355,966
INDUSTRY ASSOCIATION DUES	0	0	(1,985,493)	0	0	500,483	0	0	0	(1,485,010)	1,485,010
ECONOMIC DEVELOPMENT 5%	0	0	(185,145)	0	0	46,669	0	0	0	(138,475)	138,475
AVIATION - EXPENSES	0	0	(132,385)	0	0	33,370	0	0	0	(99,014)	99,014
EXECUTIVE COMPENSATION	0	0	(37,561,133)	0	0	9,468,035	0	0	0	(28,093,098)	28,093,098
FUEL COST REC RETAIL	(2,949,541,382)	(2,922,082,856)	(801,735)	143,751	(2,077,342)	(58,232,908)	52,285,619	0	0	(2,930,765,471)	(18,775,911)
CONSERVATION COST RECOVERY	(56,833,964)	0	(44,638,808)	(9,555,376)	(1,035,680)	(403,374)	(977)	0	0	(55,634,215)	(1,199,749)
CAPACITY COST RECOVERY	(265,635,010)	(162,828,432)	(29,808,981)	(12,876,327)	(329,323)	(16,295,325)	1,230,268	0	0	(220,908,121)	(44,726,889)
ENVIRONMENTAL COST RECOVERY	(172,933,007)	0	(29,348,936)	(38,178,789)	(305,801)	(25,101,590)	(1,398,550)	0	390	(94,333,275)	(78,599,732)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(896,568)	0	225,998	0	0	0	(670,570)	670,570
STORM DEFICIENCY RECOVERY	(57,063,874)	0	(352,428)	(56,029,800)	0	(171,823)	0	0	0	(56,554,050)	(509,824)
INTEREST TAX DEFICIENCIES	0	0	312,346	0	0	(78,733)	0	0	0	233,613	(233,613)
INTEREST SYNCHRONIZATION	0	0	0	0	0	6,693,513	(4,388,434)	0	0	2,305,079	(2,305,079)
TOTAL FPSC ADJUSTMENTS	\$ (4,264,236,277)	(3,084,911,288)	(144,978,632)	(117,393,109)	(765,850,797)	(83,227,575)	47,727,926	0	390	(4,148,633,083)	\$ (115,603,194)
FPSC ADJUSTED	\$ 7,144,960,257	19,791,268	1,387,147,568	2,089,280,576	563,762,382	270,481,460	2,984,248	111,475,188	(5,003,308)	4,439,919,382	\$ 2,705,040,876
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (198,255,994)	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,946,704,263	19,791,268	1,387,147,568	2,089,280,576	563,619,638	220,406,355	2,984,248	111,475,188	(5,003,308)	4,389,701,532	\$ 2,557,002,731
<b>(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY</b>											
	\$ 77,066,845										
	\$ 74,230,640										

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  
JANUARY, 2020

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)	\$ (198,255,994)	0	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)
TOTAL PROFORMA ADJUSTMENTS	\$ (198,255,994)	0	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)

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  
JANUARY, 2020

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
<b>PLANT IN SERVICE:</b>		
ENVIRONMENTAL	\$ 1,489,270,398	\$ 1,421,676,167
FUEL AND CAPACITY	172,118,847	164,609,830
CAPITALIZED EXECUTIVE COMPENSATION	38,896,450	37,679,202
LOAD CONTROL	46,406,500	46,406,500
ASSET RETIREMENT OBLIGATION	383,249,205	371,255,588
CAPITAL LEASES	97,571,289	94,517,838
TOTAL	\$ 2,227,512,690	\$ 2,136,145,126
<b>ACCUMULATED PROVISION FOR DEPRECIATION:</b>		
ENVIRONMENTAL	\$ (360,299,033)	\$ (343,945,968)
ACCUM PROV DECOMMISSIONING COSTS	(5,131,826,692)	(4,913,295,345)
ASSET RETIREMENT OBLIGATION	(59,176,613)	(57,324,706)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,763,031,283	4,613,974,287
FUEL AND CAPACITY	(51,093,239)	(48,734,800)
OTHER RATE CASE ADJUSTMENTS (1)	(896,568)	(896,568)
LOAD CONTROL	(24,621,806)	(24,621,806)
CAPITAL LEASES	(33,804,535)	(32,746,637)
TOTAL	\$ (898,687,203)	\$ (807,591,542)
<b>CONSTRUCTION WORK IN PROGRESS:</b>		
CONSTRUCTION WORK IN PROGRESS	\$ 1,434,669,765	\$ 1,339,560,452
CWIP - CLAUSE PROJECTS	99,086,013	94,674,774
TOTAL	\$ 1,533,755,778	\$ 1,434,235,226
<b>NUCLEAR FUEL:</b>		
NUCLEAR FUEL IN PROCESS	\$ 0	\$ 0
NUCLEAR FUEL CAPITAL LEASES	0	0
TOTAL	\$ 0	\$ 0
<b>WORKING CAPITAL:</b>		
(SEE SCHEDULE 2, PAGE 3B OF 3)	\$ (3,899,437,759)	\$ (3,793,593,524)
<b>TOTAL ADJUSTMENTS</b>	<b>\$ (1,036,856,494)</b>	<b>\$ (1,030,804,714)</b>

**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  
JANUARY, 2020

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	\$ 11,836,993,611	3,254,123,796	1,578,640,611	2,280,136,428	1,349,722,695	369,188,854	(44,672,558)	115,517,304	(5,003,717)	8,897,653,414	\$ 2,939,340,197
<b>FPSC ADJUSTMENTS</b>											
FRANCHISE REVENUE	\$ (500,027,829)	0	0	0	(12,860,716)	(123,401,027)	0	0	0	(136,261,743)	\$ (363,766,086)
FRANCHISE EXPENSE	0	0	0	0	(487,292,776)	123,432,898	0	0	0	(363,859,878)	363,859,878
GROSS RECEIPTS TAX	(262,201,211)	0	0	0	(261,949,160)	(63,859)	0	0	0	(262,013,019)	(188,192)
FINANCIAL PLANNING SERVICES	0	0	(491,310)	0	0	124,433	0	0	0	(366,877)	366,877
INDUSTRY ASSOCIATION DUES	0	0	(2,049,635)	0	0	519,102	0	0	0	(1,530,533)	1,530,533
ECONOMIC DEVELOPMENT 5%	0	0	(191,126)	0	0	48,378	0	0	0	(142,748)	142,748
AVIATION - EXPENSES	0	0	(136,661)	0	0	34,615	0	0	0	(102,046)	102,046
EXECUTIVE COMPENSATION	0	0	(38,774,566)	0	0	9,819,169	0	0	0	(28,955,397)	28,955,397
FUEL COST REC RETAIL	(3,086,983,114)	(3,063,161,872)	(842,271)	151,019	(2,078,720)	(58,542,837)	53,228,506	0	0	(3,071,246,175)	(15,736,939)
CONSERVATION COST RECOVERY	(56,833,964)	0	(44,638,808)	(9,555,376)	(1,035,680)	(405,307)	(977)	0	0	(55,636,147)	(1,197,817)
CAPACITY COST RECOVERY	(266,018,678)	(170,066,060)	(31,133,973)	(13,448,673)	(335,736)	(14,164,595)	1,230,268	0	0	(227,918,768)	(38,099,910)
ENVIRONMENTAL COST RECOVERY	(172,933,007)	0	(30,744,345)	(39,994,016)	(314,420)	(24,411,639)	(1,398,550)	0	409	(96,862,561)	(76,070,447)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(896,568)	0	225,998	0	0	0	(670,570)	670,570
STORM DEFICIENCY RECOVERY	(57,063,874)	0	(352,428)	(56,029,800)	0	(172,345)	0	0	0	(56,554,572)	(509,302)
INTEREST TAX DEFICIENCIES	0	0	322,436	0	0	(81,644)	0	0	0	240,792	(240,792)
INTEREST SYNCHRONIZATION	0	0	0	0	0	6,429,197	(4,530,205)	0	0	1,898,992	(1,898,992)
<b>TOTAL FPSC ADJUSTMENTS</b>	<b>\$ (4,402,061,678)</b>	<b>(3,233,227,932)</b>	<b>(149,032,686)</b>	<b>(119,773,413)</b>	<b>(765,867,207)</b>	<b>(80,609,462)</b>	<b>48,529,042</b>	<b>0</b>	<b>409</b>	<b>(4,299,981,250)</b>	<b>\$ (102,080,427)</b>
<b>FPSC ADJUSTED</b>	<b>\$ 7,434,931,933</b>	<b>20,895,864</b>	<b>1,429,607,925</b>	<b>2,160,363,015</b>	<b>583,855,487</b>	<b>288,579,392</b>	<b>3,856,484</b>	<b>115,517,304</b>	<b>(5,003,308)</b>	<b>4,597,672,163</b>	<b>\$ 2,837,259,770</b>
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ (198,255,994)	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)
<b>PRO FORMA SYSTEM PER BOOKS ADJUSTED</b>	<b>\$ 7,236,675,939</b>	<b>20,895,864</b>	<b>1,429,607,925</b>	<b>2,160,363,015</b>	<b>583,712,743</b>	<b>238,504,287</b>	<b>3,856,484</b>	<b>115,517,304</b>	<b>(5,003,308)</b>	<b>4,547,454,314</b>	<b>\$ 2,689,221,625</b>
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 77,066,845										

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  
JANUARY, 2020

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)	\$ (198,255,994)	0	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)
TOTAL PROFORMA ADJUSTMENTS	\$ (198,255,994)	0	0	0	0	(142,744)	(50,075,105)	0	0	0	(50,217,849)	\$ (148,038,145)

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  
JANUARY, 2020

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	\$ 11,934,073,469			\$ 11,477,401,634	\$ 383,510,239	\$ (76,234,362)	\$ 11,784,677,511	29.72%	4.29%
SHORT TERM DEBT	678,400,072	652,397,647	21,945,225	0	674,342,871	1.70%	3.44%	0.06%	3.44%	0.06%	3.44%	0.06%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,501,368,931	17,792,229,165	598,491,532	-	18,390,720,697	46.38%	9.60%	4.45%	10.55%	4.89%	11.60%	5.38%
CUSTOMER DEPOSITS	402,443,016	402,141,759	13,527,166	0	415,668,925	1.05%	2.10%	0.02%	2.10%	0.02%	2.10%	0.02%
DEFERRED INCOME TAX (1)	8,225,927,276	7,909,230,366	260,468,498	(165,904,079)	8,003,794,785	20.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	515,496,818	494,817,230	12,454,245	(124,571,752)	382,699,723	0.97%	7.50%	0.07%	8.10%	0.08%	8.71%	0.08%
TOTAL	\$ 40,257,709,582	\$ 38,728,217,801	\$ 1,290,396,906	\$ (366,710,193)	\$ 39,651,904,513	100.00%		5.88%		6.33%		6.81%

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	\$ 12,753,979,287			\$ 12,231,804,855	\$ 422,138,844	\$ (76,161,363)	\$ 12,577,782,336	30.27%	4.22%
SHORT TERM DEBT	278,888,262	267,449,446	9,287,933	-	276,737,379	0.67%	3.25%	0.02%	3.25%	0.02%	3.25%	0.02%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	19,916,623,349	19,099,727,794	663,291,665	-	19,763,019,459	47.57%	9.60%	4.57%	10.55%	5.02%	11.60%	5.52%
CUSTOMER DEPOSITS	413,877,471	413,526,032	14,360,852	(0)	427,886,884	1.03%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX (1)	8,253,558,240	7,914,049,978	269,076,117	(165,904,079)	8,017,222,016	19.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	617,615,820	591,694,188	16,324,985	(121,610,241)	486,408,932	1.17%	7.48%	0.09%	8.09%	0.09%	8.70%	0.10%
TOTAL	\$ 42,234,542,428	\$ 40,518,252,293	\$ 1,394,480,397	\$ (363,675,682)	\$ 41,549,057,007	100.00%		5.98%		6.43%		6.94%

NOTE:  
(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$2,979 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  
JANUARY, 2020

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	\$ 11,784,677,511	\$ -	\$ 11,784,677,511	29.72%	4.29%	1.27%	4.29%	1.27%	4.29%	1.27%
SHORT TERM DEBT	674,342,871	-	674,342,871	1.70%	3.44%	0.06%	3.44%	0.06%	3.44%	0.06%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,390,720,697	-	18,390,720,697	46.38%	9.60%	4.45%	10.55%	4.89%	11.60%	5.38%
CUSTOMER DEPOSITS	415,668,925	-	415,668,925	1.05%	2.10%	0.02%	2.10%	0.02%	2.10%	0.02%
DEFERRED INCOME TAX	8,003,794,785	-	8,003,794,785	20.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	382,699,723	-	382,699,723	0.97%	7.50%	0.07%	8.10%	0.08%	8.71%	0.08%
TOTAL	\$ 39,651,904,513	\$ -	\$ 39,651,904,513	100.00%		5.88%		6.33%		6.82%

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	\$ 12,577,782,336	\$ -	\$ 12,577,782,336	30.27%	4.22%	1.28%	4.22%	1.28%	4.22%	1.28%
SHORT TERM DEBT	276,737,379	-	276,737,379	0.67%	3.25%	0.02%	3.25%	0.02%	3.25%	0.02%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	19,763,019,459	-	19,763,019,459	47.57%	9.60%	4.57%	10.55%	5.02%	11.60%	5.52%
CUSTOMER DEPOSITS	427,886,884	-	427,886,884	1.03%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX	8,017,222,016	-	8,017,222,016	19.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	486,408,932	-	486,408,932	1.17%	7.48%	0.09%	8.09%	0.09%	8.70%	0.10%
TOTAL	\$ 41,549,057,007	\$ -	\$ 41,549,057,007	100.00%		5.98%		6.43%		6.94%

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.

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
JANUARY, 2020

SCHEDULE 5: PAGE 1 OF 2

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,944,245,745
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	17,874,156
INCOME TAXES	<u>429,006,396</u>
TOTAL	\$ 3,391,126,297
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 613,555,789</u>
TIMES INTEREST EARNED WITH AFUDC	<u>5.53</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,944,245,745
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(59,192,689)
INCOME TAXES	<u>429,006,396</u>
TOTAL	\$ 3,314,059,452
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 613,555,789</u>
TIMES INTEREST EARNED WITHOUT AFUDC	<u>5.40</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 17,874,156
X (1 - INCOME_TAX_RATE)	<u>0.7479</u>
SUBTOTAL	\$ 13,368,439
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	<u>59,192,689</u>
TOTAL	\$ 72,561,128
NET INCOME AVAILABLE FOR COMMON	<u>\$ 2,348,564,112</u>
AFUDC AS PERCENT OF NET INCOME	<u>3.09%</u>

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 377,418,384
GAINS ON DISPOSITION OF PROPERTY	(5,003,717)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	<u>0</u>
TOTAL	\$ 372,414,667

\*\* INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 2,348,564,112
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(2,200,000,000)
AFUDC (DEBT & OTHER)	(77,066,845)
DEPRECIATION AND AMORTIZATION EXPENSE	2,280,136,428
DEFERRED INCOME TAXES	(53,388,042)
INVESTMENT TAX CREDITS	115,517,304
OTHER SOURCE/USES OF FUNDS	<u>372,414,667</u>
INTERNALLY GENERATED FUNDS	\$ 2,786,177,625
CONSTRUCTION EXPENDITURES	<u>\$ 5,600,780,631</u>
PERCENT INTERNALLY GENERATED FUNDS	<u>49.75%</u>

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

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

<u>AVERAGE RETAIL AMOUNTS</u>	
JURIS ADJUSTED LONG TERM DEBT	\$ 11,784,677,511
JURIS ADJUSTED SHORT TERM DEBT	674,342,871
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	<u>18,390,720,697</u>
TOTAL	\$ 30,849,741,080
LTD TO TOTAL INVESTOR FUNDS	<u>38.20%</u>
STD TO TOTAL INVESTOR FUNDS	<u>2.19%</u>

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.81%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	1.27%
SHORT TERM DEBT	0.06%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	<u>0.08%</u>
SUBTOTAL	1.43%
TOTAL	<u>5.38%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>46.38%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>11.60%</u>

FLORIDA POWER & LIGHT COMPANY  
AND SUBSIDIARIES  
FINANCIAL INTEGRITY INDICATORS  
JANUARY, 2020

SCHEDULE 5: PAGE 2 OF 2

H. PROFORMA ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

PRO FORMA RATE OF RETURN 6.44%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT 1.27%

SHORT TERM DEBT 0.06%

PREFERRED STOCK 0.00%

CUSTOMER DEPOSITS 0.02%

TAX CREDITS - WTD COST 0.08%

SUBTOTAL 1.43%

PRO FORMA ROR LESS NON EQUITY COST 5.01%

PRO FORMA COMMON EQUITY RATIO 46.38%

PRO FORMA RETURN ON COMMON EQUITY 10.80%

	AMOUNT	RELATED ORDER
Rollover Reserve Amount - 12/31/2016 <sup>(1)</sup>	\$ 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 <sup>(2)</sup>	\$ (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	
November, 2019	\$ (657,986)	
December, 2019	\$ (176,076,008)	
Total Amortization from 1/1/2019 - 12/31/2019	\$ 356,664,152	
Actual Amortization from 1/1/2020 - 12/31/2020:		
January, 2020	\$ (114,482,970)	
Total Amortization from 1/1/2020 - 12/31/2020	\$ (114,482,970)	
Reduction in Total Reserve Amount Available Under Current Settlement Agreement	\$ (5,000,000)	PSC-2019-0319-S-EI
Remaining Reserve Amount - 1/31/2020	<u>\$778,130,471</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.