



April 15, 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 February 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 February 29, 2020 is \$732,556,132.

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
FEBRUARY, 2020

SCHEDULE 1: PAGE 1 OF 1

	<u>ACTUAL PER BOOKS</u>	<u>FPSC ADJUSTMENTS</u>	<u>FPSC ADJUSTED</u>	<u>PRO FORMA ADJUSTMENTS</u>	<u>PRO FORMA ADJUSTED</u>
<u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,910,881,746 (A)	(188,210,817) (B)	<u>2,722,670,929</u>	<u>(147,352,761)</u>	\$ 2,575,318,168
RATE BASE	\$ 38,939,073,140	<u>1,054,662,433</u>	<u>39,993,735,573</u>	<u>0</u>	\$ 39,993,735,573
AVERAGE RATE OF RETURN	7.48%		6.81%		6.44%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,910,881,746 (A)	(185,000,104) (B)	<u>2,725,881,642</u>	<u>(147,352,761)</u>	\$ 2,578,528,882
RATE BASE	\$ 40,698,022,652	<u>1,043,758,991</u>	<u>41,741,781,643</u>	<u>0</u>	\$ 41,741,781,643
YEAR END RATE OF RETURN	7.15%		6.53%		6.18%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	5.87%
MIDPOINT	6.32%
HIGH	6.81%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	5.56	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	5.44	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	2.91%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	52.44%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	38.45%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	2.03%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.60%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.81%	(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)

David Hunter

(SIGNATURE)
4/15/2020
(DATE)
on behalf of Keith Ferguson

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
FEBRUARY, 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	\$ 52,833,875,898	15,864,606,727	36,969,269,171	443,044,189	2,972,177,842	613,634,786	40,998,125,988	(523,356,825)	\$ 40,474,769,163
JURISDICTIONAL PER BOOKS	\$ 50,696,164,155	12,835,942,806	37,860,221,349	421,457,153	2,827,913,768	581,587,154	41,691,179,424	(2,752,106,284)	\$ 38,939,073,140
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,168,526,701)	(746,154,940)	(1,422,371,761)	0	(1,386,700,798)	0	(2,809,072,560)	3,863,734,993	\$ 1,054,662,433
FPSC ADJUSTED:	\$ 48,527,637,454	12,089,787,867	36,437,849,588	421,457,153	1,441,212,970	581,587,154	38,882,106,864	1,111,628,709	\$ 39,993,735,573
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 48,527,637,454	12,089,787,867	36,437,849,588	421,457,153	1,441,212,970	581,587,154	38,882,106,864	1,111,628,709	\$ 39,993,735,573

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
FEBRUARY, 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	\$ 11,816,647,768	3,214,488,556	1,572,865,374	2,276,744,899	1,350,352,145	367,793,590	(39,949,665)	115,193,618	(4,598,011)	8,852,890,506	\$ 2,963,757,262
JURISDICTIONAL PER BOOKS	\$ 11,385,925,840	3,068,872,584	1,526,691,020	2,202,542,917	1,330,204,819	351,700,746	(40,848,295)	111,162,828	(4,597,993)	8,545,728,626	\$ 2,840,197,214
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (500,455,198)	0	0	0	(12,871,708)	(122,576,052)	0	0	0	(135,447,759)	\$ (365,007,439)
FRANCHISE EXPENSE	0	0	0	0	(487,568,081)	122,572,178	0	0	0	(364,995,904)	364,995,904
GROSS RECEIPTS TAX	(261,602,143)	0	0	0	(261,349,207)	(63,587)	0	0	0	(261,412,794)	(189,349)
FINANCIAL PLANNING SERVICES	0	0	(478,823)	0	0	120,374	0	0	0	(358,449)	358,449
INDUSTRY ASSOCIATION DUES	0	0	(2,022,988)	0	0	508,569	0	0	0	(1,514,419)	1,514,419
ECONOMIC DEVELOPMENT 5%	0	0	(187,409)	0	0	47,114	0	0	0	(140,295)	140,295
AVIATION - EXPENSES	0	0	(136,190)	0	0	34,237	0	0	0	(101,952)	101,952
EXECUTIVE COMPENSATION	0	0	(38,464,374)	0	0	9,669,751	0	0	0	(28,794,623)	28,794,623
FUEL COST REC RETAIL	(2,913,103,144)	(2,885,930,211)	(801,850)	143,788	(2,049,610)	(58,984,745)	53,266,189	0	0	(2,894,356,440)	(18,746,704)
CONSERVATION COST RECOVERY	(55,985,722)	0	(43,805,201)	(9,501,602)	(1,077,897)	(401,527)	(970)	0	0	(54,787,196)	(1,198,526)
CAPACITY COST RECOVERY	(265,689,457)	(162,924,180)	(30,192,198)	(12,991,758)	(334,703)	(15,748,052)	860,728	0	0	(221,330,163)	(44,359,294)
ENVIRONMENTAL COST RECOVERY	(174,120,419)	0	(29,955,245)	(38,381,830)	(315,359)	(24,820,064)	(1,708,003)	0	375	(95,180,126)	(78,940,293)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(1,234,137)	0	310,256	0	0	0	(923,881)	923,881
STORM DEFICIENCY RECOVERY	(49,174,394)	0	(309,194)	(48,245,634)	0	(155,756)	0	0	0	(48,710,584)	(463,810)
INTEREST TAX DEFICIENCIES	0	0	324,206	0	0	(81,504)	0	0	0	242,703	(242,703)
INTEREST SYNCHRONIZATION	0	0	0	0	0	9,440,516	(4,232,826)	0	0	5,207,690	(5,207,690)
TOTAL FPSC ADJUSTMENTS	\$ (4,220,130,478)	(3,048,854,391)	(146,029,265)	(110,211,173)	(765,566,564)	(80,128,291)	48,185,117	0	375	(4,102,604,193)	\$ (117,526,285)
FPSC ADJUSTED	\$ 7,165,795,362	20,018,193	1,380,661,754	2,092,331,744	564,638,255	271,572,454	7,336,822	111,162,828	(4,597,618)	4,443,124,433	\$ 2,722,670,929
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (196,977,512)	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,968,817,850	20,018,193	1,380,661,754	2,092,331,744	564,496,431	222,089,527	7,336,822	111,162,828	(4,597,618)	4,393,499,682	\$ 2,575,318,168
 (A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY											
	\$ 73,385,247										
	\$ 70,684,532										
 (B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 3,869,258										
ON A JURISDICTIONAL BASIS	\$ 3,748,171										
 CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	\$ 785,975,104	192,498,361	95,249,461	119,958,280	103,791,709	21,909,603	24,089,409	(1,634,354)	(86,849)	555,775,620	\$ 230,199,484
JURISDICTIONAL PER BOOKS	\$ 755,286,716	183,348,371	91,660,585	113,553,030	101,950,978	21,139,009	23,260,075	(1,577,166)	(86,849)	533,248,033	\$ 222,038,683

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
FEBRUARY, 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)	\$ (196,977,512)	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)
TOTAL PROFORMA ADJUSTMENTS	\$ (196,977,512)	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)

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
FEBRUARY, 2020

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,485,774,238	\$ 1,418,455,370
FUEL AND CAPACITY	169,573,309	162,181,178
CAPITALIZED EXECUTIVE COMPENSATION	35,491,117	34,380,438
LOAD CONTROL	47,549,109	47,549,109
ASSET RETIREMENT OBLIGATION	422,763,614	409,533,410
CAPITAL LEASES	99,542,330	96,427,196
TOTAL	<u>\$ 2,260,693,718</u>	<u>\$ 2,168,526,701</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (341,490,300)	\$ (326,017,734)
ACCUM PROV DECOMMISSIONING COSTS	(4,879,474,563)	(4,671,689,264)
ASSET RETIREMENT OBLIGATION	(32,897,424)	(31,867,913)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,527,884,402	4,386,186,226
FUEL AND CAPACITY	(48,583,388)	(46,339,573)
OTHER RATE CASE ADJUSTMENTS (1)	(94,934)	(94,934)
LOAD CONTROL	(26,566,491)	(26,566,491)
CAPITAL LEASES	(30,726,840)	(29,765,257)
TOTAL	<u>\$ (831,949,538)</u>	<u>\$ (746,154,940)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,397,433,089	\$ 1,309,308,758
CWIP - CLAUSE PROJECTS	80,856,155	77,392,040
TOTAL	<u>\$ 1,478,289,243</u>	<u>\$ 1,386,700,798</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)	\$ (3,971,594,010)	\$ (3,863,734,993)
TOTAL ADJUSTMENTS	\$ (1,064,560,586)	\$ (1,054,662,433)

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
FEBRUARY, 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	\$ 11,816,647,768	3,214,488,556	1,572,865,374	2,276,744,899	1,350,352,145	367,793,590	(39,949,665)	115,193,618	(4,598,011)	8,852,890,506	\$ 2,963,757,262
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (500,455,198)	0	0	0	(12,871,708)	(123,439,816)	0	0	0	(136,311,524)	\$ (364,143,674)
FRANCHISE EXPENSE	0	0	0	0	(487,568,081)	123,435,932	0	0	0	(364,132,149)	364,132,149
GROSS RECEIPTS TAX	(261,602,143)	0	0	0	(261,349,207)	(64,050)	0	0	0	(261,413,257)	(188,886)
FINANCIAL PLANNING SERVICES	0	0	(494,291)	0	0	125,110	0	0	0	(369,181)	369,181
INDUSTRY ASSOCIATION DUES	0	0	(2,088,342)	0	0	528,580	0	0	0	(1,559,762)	1,559,762
ECONOMIC DEVELOPMENT 5%	0	0	(193,463)	0	0	48,946	0	0	0	(144,517)	144,517
AVIATION - EXPENSES	0	0	(140,590)	0	0	35,588	0	0	0	(105,002)	105,002
EXECUTIVE COMPENSATION	0	0	(39,706,987)	0	0	10,047,741	0	0	0	(29,659,246)	29,659,246
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY	(3,046,858,653)	(3,023,189,221)	(842,177)	151,019	(2,051,050)	(59,068,202)	53,796,446	0	0	(3,031,203,184)	(15,655,469)
CONSERVATION COST RECOVERY	(55,985,722)	0	(43,805,201)	(9,501,602)	(1,077,897)	(404,261)	(970)	0	0	(54,789,930)	(1,195,792)
CAPACITY COST RECOVERY	(266,085,885)	(170,164,975)	(31,534,021)	(13,569,147)	(341,361)	(13,654,249)	860,728	0	0	(228,403,026)	(37,682,859)
ENVIRONMENTAL COST RECOVERY	(174,120,419)	0	(31,376,900)	(40,203,404)	(324,376)	(24,183,710)	(1,708,003)	0	393	(97,795,999)	(76,324,420)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(1,234,137)	0	310,256	0	0	0	(923,881)	923,881
STORM DEFICIENCY RECOVERY	(49,174,394)	0	(309,194)	(48,245,634)	0	(156,613)	0	0	0	(48,711,442)	(462,952)
INTEREST TAX DEFICIENCIES	0	0	334,680	0	0	(84,671)	0	0	0	250,009	(250,009)
INTEREST SYNCHRONIZATION	0	0	0	0	0	9,670,279	(4,369,570)	0	0	5,300,709	(5,300,709)
TOTAL FPSC ADJUSTMENTS	\$ (4,354,282,415)	(3,193,354,196)	(150,156,485)	(112,602,905)	(765,583,680)	(76,853,141)	48,578,631	0	393	(4,249,971,383)	\$ (104,311,032)
FPSC ADJUSTED	\$ 7,462,365,354	21,134,360	1,422,708,888	2,164,141,994	584,768,465	290,940,449	8,628,966	115,193,618	(4,597,618)	4,602,919,123	\$ 2,859,446,230
PRO FORMA ADJUSTMENTS											
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ (196,977,512)	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,265,387,842	21,134,360	1,422,708,888	2,164,141,994	584,626,641	241,457,522	8,628,966	115,193,618	(4,597,618)	4,553,294,372	\$ 2,712,093,469

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

\$ 73,385,247

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
FEBRUARY, 2020

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	35,189,789	34,043,276
INTEREST & DIVIDENDS RECEIVABLE	614,689	594,661
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC	109,648,368	110,147,661
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	14,170,127	14,170,127
PREPAYMENTS - ECCR	44,167,303	44,167,303
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	7,198,891	6,933,958
TEMPORARY CASH INVESTMENTS	1,176,212	1,137,890
STORM DEFICIENCY RECOVERY	7,319,454	7,319,454
NUCLEAR COST RECOVERY	0	0
JOBGING ACCOUNTS	25,122,107	24,303,607
OTH REG ASSETS - CLAUSES	4,694,598	4,469,804
MISC. DEFFERED DEBIT - CLAUSES	4,539,455	4,322,089
CEDAR BAY TRANSACTION	484,214,208	463,610,110
ICL TRANSACTION	317,722,222	304,202,628
SJRPP TRANSACTION	94,721,511	90,570,673
EARLY RETIRED ASSETS	134,371,061	128,282,842
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,284,869,994	\$ 1,238,276,084
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	21,538,462	20,836,717
ACCUM DEFERRED RETIREMENT BENEFITS	(219,828)	(212,949)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(39,040,019)	(39,040,019)
ACCUM. PROV. - RATE REFUNDS	0	0
GAIN ON SALE OF EMISSION ALLOWANCE	(411)	(392)
JOBGING ACCOUNTS	(24,575,508)	(23,774,817)
POLE ATTACHMENT RENTS PAYABLE	(6,900,835)	(6,900,835)
SJRPP ACCELERATED RECOVERY	(5,598,249)	(5,360,034)
STORM DEFICIENCY RECOVERY	(37,033,158)	(37,033,158)
ASSET RETIREMENT OBLIGATION	(4,917,750,592)	(4,763,851,723)
MARGIN CALL CASH COLLATERAL	(1,357,692)	(1,313,458)
NUCLEAR COST RECOVERY	(241,630,584)	(241,630,584)
CEDAR BAY TRANSACTION	(3,895,589)	(3,729,825)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (5,256,464,004)	\$ (5,102,011,077)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,971,594,010)	\$ (3,863,734,993)

NOTES:

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
FEBRUARY, 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)	\$ (196,977,512)	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)
TOTAL PROFORMA ADJUSTMENTS	\$ (196,977,512)	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)

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
FEBRUARY, 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	\$ 54,818,312,437	16,360,150,606	38,458,161,830	509,193,373	3,290,381,352	613,698,847	42,871,435,402	(523,356,825)	\$ 42,348,078,577
JURISDICTIONAL PER BOOKS	\$ 52,607,066,447	13,350,787,289	39,256,279,158	484,791,830	3,127,410,078	581,647,869	43,450,128,936	(2,752,106,284)	\$ 40,698,022,652
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,113,595,436)	(785,119,976)	(1,328,475,459)	0	(1,491,500,542)	0	(2,819,976,001)	3,863,734,993	\$ 1,043,758,991
FPSC ADJUSTED:	\$ 50,493,471,012	12,565,667,313	37,927,803,699	484,791,830	1,635,909,536	581,647,869	40,630,152,935	1,111,628,709	\$ 41,741,781,643
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 50,493,471,012	12,565,667,313	37,927,803,699	484,791,830	1,635,909,536	581,647,869	40,630,152,935	1,111,628,709	\$ 41,741,781,643

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
FEBRUARY, 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	\$ 11,816,647,768	3,214,488,556	1,572,865,374	2,276,744,899	1,350,352,145	367,793,590	(39,949,665)	115,193,618	(4,598,011)	8,852,890,506	\$ 2,963,757,262
JURISDICTIONAL PER BOOKS	\$ 11,385,925,840	3,068,872,584	1,526,691,020	2,202,542,917	1,330,204,819	351,700,746	(40,848,295)	111,162,828	(4,597,993)	8,545,728,626	\$ 2,840,197,214
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (500,455,198)	0	0	0	(12,871,708)	(122,576,052)	0	0	0	(135,447,759)	\$ (365,007,439)
FRANCHISE EXPENSE	0	0	0	0	(487,568,081)	122,572,178	0	0	0	(364,995,904)	364,995,904
GROSS RECEIPTS TAX	(261,602,143)	0	0	0	(261,349,207)	(63,587)	0	0	0	(261,412,794)	(189,349)
FINANCIAL PLANNING SERVICES	0	0	(478,823)	0	0	120,374	0	0	0	(358,449)	358,449
INDUSTRY ASSOCIATION DUES	0	0	(2,022,988)	0	0	508,569	0	0	0	(1,514,419)	1,514,419
ECONOMIC DEVELOPMENT 5%	0	0	(187,409)	0	0	47,114	0	0	0	(140,295)	140,295
AVIATION - EXPENSES	0	0	(136,190)	0	0	34,237	0	0	0	(101,952)	101,952
EXECUTIVE COMPENSATION	0	0	(38,464,374)	0	0	9,669,751	0	0	0	(28,794,623)	28,794,623
FUEL COST REC RETAIL	(2,913,103,144)	(2,885,930,211)	(801,850)	143,788	(2,049,610)	(58,984,745)	53,266,189	0	0	(2,894,356,440)	(18,746,704)
CONSERVATION COST RECOVERY	(55,985,722)	0	(43,805,201)	(9,501,602)	(1,077,897)	(401,527)	(970)	0	0	(54,787,196)	(1,198,526)
CAPACITY COST RECOVERY	(265,689,457)	(162,924,180)	(30,192,198)	(12,991,758)	(334,703)	(15,748,052)	860,728	0	0	(221,330,163)	(44,359,294)
ENVIRONMENTAL COST RECOVERY	(174,120,419)	0	(29,955,245)	(38,381,830)	(315,359)	(24,820,064)	(1,708,003)	0	375	(95,180,126)	(78,940,293)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(1,234,137)	0	310,256	0	0	0	(923,881)	923,881
STORM DEFICIENCY RECOVERY	(49,174,394)	0	(309,194)	(48,245,634)	0	(155,756)	0	0	0	(48,710,584)	(463,810)
INTEREST TAX DEFICIENCIES	0	0	324,206	0	0	(81,504)	0	0	0	242,703	(242,703)
INTEREST SYNCHRONIZATION	0	0	0	0	0	6,229,803	(4,232,826)	0	0	1,996,977	(1,996,977)
TOTAL FPSC ADJUSTMENTS	\$ (4,220,130,478)	(3,048,854,391)	(146,029,265)	(110,211,173)	(765,566,564)	(83,339,005)	48,185,117	0	375	(4,105,814,906)	\$ (114,315,572)
FPSC ADJUSTED	\$ 7,165,795,362	20,018,193	1,380,661,754	2,092,331,744	564,638,255	268,361,741	7,336,822	111,162,828	(4,597,618)	4,439,913,720	\$ 2,725,881,642
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (196,977,512)	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,968,817,850	20,018,193	1,380,661,754	2,092,331,744	564,496,431	218,878,814	7,336,822	111,162,828	(4,597,618)	4,390,288,969	\$ 2,578,528,882
 (A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY \$ 73,385,247 AND THE JURISDICTIONAL NOI BY \$ 70,684,532											

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
FEBRUARY, 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)	\$ (196,977,512)	0	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)
TOTAL PROFORMA ADJUSTMENTS	\$ (196,977,512)	0	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)

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
FEBRUARY, 2020

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,493,628,575	\$ 1,425,953,835
FUEL AND CAPACITY	172,228,812	164,724,005
CAPITALIZED EXECUTIVE COMPENSATION	38,994,508	37,774,192
LOAD CONTROL	46,293,346	46,293,346
ASSET RETIREMENT OBLIGATION	350,827,564	339,848,568
CAPITAL LEASES	102,199,789	99,001,491
TOTAL	\$ 2,204,172,594	\$ 2,113,595,436
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (364,871,190)	\$ (348,339,260)
ACCUM PROV DECOMMISSIONING COSTS	(5,140,909,606)	(4,921,991,477)
ASSET RETIREMENT OBLIGATION	(27,640,539)	(26,775,541)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,771,487,322	4,622,165,699
FUEL AND CAPACITY	(51,619,401)	(49,246,719)
OTHER RATE CASE ADJUSTMENTS (1)	(1,234,137)	(1,234,137)
LOAD CONTROL	(25,265,063)	(25,265,063)
CAPITAL LEASES	(35,545,871)	(34,433,479)
TOTAL	\$ (875,598,485)	\$ (785,119,976)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,498,056,967	\$ 1,398,103,802
CWIP - CLAUSE PROJECTS	97,735,417	93,396,740
TOTAL	\$ 1,595,792,383	\$ 1,491,500,542
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)	\$ (3,971,594,010)	\$ (3,863,734,993)
TOTAL ADJUSTMENTS	\$ (1,047,227,518)	\$ (1,043,758,991)

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
FEBRUARY, 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	\$ 11,816,647,768	3,214,488,556	1,572,865,374	2,276,744,899	1,350,352,145	367,793,590	(39,949,665)	115,193,618	(4,598,011)	8,852,890,506	\$ 2,963,757,262
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (500,455,198)	0	0	0	(12,871,708)	(123,439,816)	0	0	0	(136,311,524)	\$ (364,143,674)
FRANCHISE EXPENSE	0	0	0	0	(487,568,081)	123,435,932	0	0	0	(364,132,149)	364,132,149
GROSS RECEIPTS TAX	(261,602,143)	0	0	0	(261,349,207)	(64,050)	0	0	0	(261,413,257)	(188,886)
FINANCIAL PLANNING SERVICES	0	0	(494,291)	0	0	125,110	0	0	0	(369,181)	369,181
INDUSTRY ASSOCIATION DUES	0	0	(2,088,342)	0	0	528,580	0	0	0	(1,559,762)	1,559,762
ECONOMIC DEVELOPMENT 5%	0	0	(193,463)	0	0	48,946	0	0	0	(144,517)	144,517
AVIATION - EXPENSES	0	0	(140,590)	0	0	35,588	0	0	0	(105,002)	105,002
EXECUTIVE COMPENSATION	0	0	(39,706,987)	0	0	10,047,741	0	0	0	(29,659,246)	29,659,246
FUEL COST REC RETAIL	(3,046,858,653)	(3,023,189,221)	(842,177)	151,019	(2,051,050)	(59,068,202)	53,796,446	0	0	(3,031,203,184)	(15,655,469)
CONSERVATION COST RECOVERY	(55,985,722)	0	(43,805,201)	(9,501,602)	(1,077,897)	(404,261)	(970)	0	0	(54,789,930)	(1,195,792)
CAPACITY COST RECOVERY	(266,085,885)	(170,164,975)	(31,534,021)	(13,569,147)	(341,361)	(13,654,249)	860,728	0	0	(228,403,026)	(37,682,859)
ENVIRONMENTAL COST RECOVERY	(174,120,419)	0	(31,376,900)	(40,203,404)	(324,376)	(24,183,710)	(1,708,003)	0	393	(97,795,999)	(76,324,420)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(1,234,137)	0	310,256	0	0	0	(923,881)	923,881
STORM DEFICIENCY RECOVERY	(49,174,394)	0	(309,194)	(48,245,634)	0	(156,613)	0	0	0	(48,711,442)	(462,952)
INTEREST TAX DEFICIENCIES	0	0	334,680	0	0	(84,671)	0	0	0	250,009	(250,009)
INTEREST SYNCHRONIZATION	0	0	0	0	0	6,205,135	(4,369,570)	0	0	1,835,565	(1,835,565)
TOTAL FPSC ADJUSTMENTS	\$ (4,354,282,415)	(3,193,354,196)	(150,156,485)	(112,602,905)	(765,583,680)	(80,318,284)	48,578,631	0	393	(4,253,436,526)	\$ (100,845,888)
FPSC ADJUSTED	\$ 7,462,365,354	21,134,360	1,422,708,888	2,164,141,994	584,768,465	287,475,306	8,628,966	115,193,618	(4,597,618)	4,599,453,980	\$ 2,862,911,374
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ (196,977,512)	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,265,387,842	21,134,360	1,422,708,888	2,164,141,994	584,626,641	237,992,378	8,628,966	115,193,618	(4,597,618)	4,549,829,229	\$ 2,715,558,613
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 73,385,247										

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
FEBRUARY, 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)	\$ (196,977,512)	0	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)
TOTAL PROFORMA ADJUSTMENTS	\$ (196,977,512)	0	0	0	0	(141,824)	(49,482,927)	0	0	0	(49,624,751)	\$ (147,352,761)

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
FEBRUARY, 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	\$ 12,096,361,946			\$ 11,634,067,480	\$ 425,153,216	\$ (78,848,265)	\$ 11,980,372,431	29.96%	4.25%
SHORT TERM DEBT	635,523,045	611,198,495	22,487,934	(0)	633,686,429	1.58%	3.43%	0.05%	3.43%	0.05%	3.43%	0.05%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,598,459,330	17,886,606,065	658,105,047	0	18,544,711,112	46.37%	9.60%	4.45%	10.55%	4.89%	11.60%	5.38%
CUSTOMER DEPOSITS	403,301,514	403,012,868	14,828,123	0	417,840,992	1.04%	2.12%	0.02%	2.12%	0.02%	2.12%	0.02%
DEFERRED INCOME TAX (1)	8,218,511,379	7,902,493,452	284,809,194	(161,677,781)	8,025,624,865	20.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	522,611,949	501,694,780	13,893,339	(124,088,374)	391,499,745	0.98%	7.47%	0.07%	8.08%	0.08%	8.69%	0.09%
TOTAL	\$ 40,474,769,163	\$ 38,939,073,140	\$ 1,419,276,853	\$ (364,614,420)	\$ 39,993,735,573	100.00%		5.87%		6.32%		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	\$ 12,711,317,761			\$ 12,212,412,462	\$ 422,182,268	\$ (76,754,338)	\$ 12,557,840,393	30.08%	4.25%
SHORT TERM DEBT	285,525,695	274,302,306	9,542,587	(0)	283,844,893	0.68%	2.67%	0.02%	2.67%	0.02%	2.67%	0.02%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	20,080,210,142	19,290,901,128	671,102,985	(0)	19,962,004,113	47.82%	9.60%	4.59%	10.55%	5.05%	11.60%	5.55%
CUSTOMER DEPOSITS	413,121,582	412,767,000	14,359,576	0	427,126,576	1.02%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX (1)	8,244,601,917	7,919,223,076	269,873,956	(161,677,781)	8,027,419,252	19.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	613,301,480	588,416,680	16,256,356	(121,126,619)	483,546,417	1.16%	7.51%	0.09%	8.12%	0.09%	8.73%	0.10%
TOTAL	\$ 42,348,078,577	\$ 40,698,022,652	\$ 1,403,317,729	\$ (359,558,737)	\$ 41,741,781,643	100.00%		6.00%		6.46%		6.97%

NOTE:

(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$2,961 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
FEBRUARY, 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	\$ 11,980,372,431	\$ -	\$ 11,980,372,431	29.96%	4.25%	1.27%	4.25%	1.27%	4.25%	1.27%
SHORT TERM DEBT	633,686,429	-	633,686,429	1.58%	3.43%	0.05%	3.43%	0.05%	3.43%	0.05%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,544,711,112	-	18,544,711,112	46.37%	9.60%	4.45%	10.55%	4.89%	11.60%	5.38%
CUSTOMER DEPOSITS	417,840,992	-	417,840,992	1.04%	2.12%	0.02%	2.12%	0.02%	2.12%	0.02%
DEFERRED INCOME TAX	8,025,624,865	-	8,025,624,865	20.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	391,499,745	-	391,499,745	0.98%	7.47%	0.07%	8.08%	0.08%	8.69%	0.09%
TOTAL	\$ 39,993,735,573	\$ -	\$ 39,993,735,573	100.00%		5.87%		6.32%		6.81%

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	\$ 12,557,840,393	\$ -	\$ 12,557,840,393	30.08%	4.25%	1.28%	4.25%	1.28%	4.25%	1.28%
SHORT TERM DEBT	283,844,893	-	283,844,893	0.68%	2.67%	0.02%	2.67%	0.02%	2.67%	0.02%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	19,962,004,113	-	19,962,004,113	47.82%	9.60%	4.59%	10.55%	5.05%	11.60%	5.55%
CUSTOMER DEPOSITS	427,126,576	-	427,126,576	1.02%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX	8,027,419,252	-	8,027,419,252	19.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	483,546,417	-	483,546,417	1.16%	7.51%	0.09%	8.12%	0.09%	8.73%	0.10%
TOTAL	\$ 41,741,781,643	\$ -	\$ 41,741,781,643	100.00%		6.00%		6.46%		6.97%

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	\$ 2,966,155,323
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	17,240,362
INCOME TAXES	431,948,827
TOTAL	\$ 3,415,344,512
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 614,370,502
TIMES INTEREST EARNED WITH AFUDC	5.56

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,966,155,323
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(56,144,886)
INCOME TAXES	431,948,827
TOTAL	\$ 3,341,959,265
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 614,370,502
TIMES INTEREST EARNED WITHOUT AFUDC	5.44

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 17,240,362
X (1 - INCOME TAX RATE)	0.7486
SUBTOTAL	\$ 12,906,221
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	56,144,886
TOTAL	\$ 69,051,107
NET INCOME AVAILABLE FOR COMMON	\$ 2,369,025,183
AFUDC AS PERCENT OF NET INCOME	2.91%

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 377,038,217
GAINS ON DISPOSITION OF PROPERTY	(4,598,011)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	0
	\$ 372,440,206
** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:	0

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 2,369,025,183
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(2,200,000,000)
AFUDC (DEBT & OTHER)	(73,385,247)
DEPRECIATION AND AMORTIZATION EXPENSE	2,276,744,899
DEFERRED INCOME TAXES	(49,609,058)
INVESTMENT TAX CREDITS	115,193,618
OTHER SOURCE/USES OF FUNDS	372,440,206
INTERNALLY GENERATED FUNDS	\$ 2,811,409,600
CONSTRUCTION EXPENDITURES	\$ 5,361,447,863
PERCENT INTERNALLY GENERATED FUNDS	52.44%

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	\$ 11,980,372,431
JURIS ADJUSTED SHORT TERM DEBT	633,686,429
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	18,544,711,112
TOTAL	\$ 31,158,769,972
LTD TO TOTAL INVESTOR FUNDS	38.45%
STD TO TOTAL INVESTOR FUNDS	2.03%

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	0.05%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	0.08%
SUBTOTAL	1.43%
TOTAL	5.38%
DIVIDED BY COMMON EQUITY RATIO	46.37%
JURISDICTIONAL RETURN ON COMMON EQUITY	11.60%

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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 0.05%

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 46.37%

PRO FORMA RETURN ON COMMON EQUITY 10.81%

	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	
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)	
February, 2020	\$ (45,574,339)	
Total Amortization from 1/1/2020 - 12/31/2020	\$ (160,057,309)	
Reduction in Total Reserve Amount Available Under Current Settlement Agreement	\$ (5,000,000)	PSC-2019-0319-S-EI
Remaining Reserve Amount - 2/29/2020	<u>\$732,556,132</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.