



May 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 March 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 March 31, 2020 is \$744,467,457.

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
MARCH, 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	\$ 2,929,855,000 (A)	(186,036,293) (B)	2,743,818,708	(182,156,956)	\$ 2,561,661,752
RATE BASE	\$ 39,277,123,268	1,069,757,089	40,346,880,357	0	\$ 40,346,880,357
AVERAGE RATE OF RETURN	7.46%		6.81%		6.35%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,929,855,000 (A)	(186,900,118) (B)	2,742,954,882	(182,156,956)	\$ 2,560,797,927
RATE BASE	\$ 41,181,247,278	877,600,043	42,058,847,321	0	\$ 42,058,847,321
YEAR END RATE OF RETURN	7.11%		6.52%		6.09%

(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	6.31%
HIGH	6.81%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	5.50	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	5.39	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	2.77%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	53.93%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	38.74%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	1.99%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.60%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.62%	(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)

5/15/2020

(DATE)

on behalf of Keith Ferguson

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
MARCH, 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	\$ 53,245,883,307	15,946,434,045	37,299,449,262	451,013,359	2,953,205,421	619,816,758	41,323,484,800	(499,275,202)	\$ 40,824,209,598
JURISDICTIONAL PER BOOKS	\$ 51,092,007,394	12,940,895,064	38,151,112,331	429,058,537	2,810,215,422	587,446,266	41,977,832,557	(2,700,709,289)	\$ 39,277,123,268
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,166,032,372)	(752,911,522)	(1,413,120,850)	0	(1,339,426,531)	0	(2,752,547,381)	3,822,304,470	\$ 1,069,757,089
FPSC ADJUSTED:	\$ 48,925,975,022	12,187,983,541	36,737,991,481	429,058,537	1,470,788,891	587,446,266	39,225,285,175	1,121,595,182	\$ 40,346,880,357
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 48,925,975,022	12,187,983,541	36,737,991,481	429,058,537	1,470,788,891	587,446,266	39,225,285,175	1,121,595,182	\$ 40,346,880,357

NOTE:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
MARCH, 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	\$ 11,812,410,529	3,167,418,722	1,561,930,334	2,328,459,253	1,351,743,811	368,323,802	(63,250,367)	114,943,388	(4,189,695)	8,825,379,247	\$ 2,987,031,282
JURISDICTIONAL PER BOOKS	\$ 11,383,578,959	3,025,291,147	1,515,333,088	2,253,648,058	1,331,489,857	352,143,894	(63,321,692)	110,921,354	(4,189,678)	8,521,316,028	\$ 2,862,262,931
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (499,838,664)	0	0	0	(12,855,850)	(122,089,546)	0	0	0	(134,945,396)	\$ (364,893,268)
FRANCHISE EXPENSE	0	0	0	0	(486,967,419)	122,085,686	0	0	0	(364,881,733)	364,881,733
GROSS RECEIPTS TAX	(260,489,500)	0	0	0	(260,235,498)	(63,680)	0	0	0	(260,299,178)	(190,322)
FINANCIAL PLANNING SERVICES	0	0	(468,424)	0	0	117,437	0	0	0	(350,988)	350,988
INDUSTRY ASSOCIATION DUES	0	0	(1,996,914)	0	0	500,638	0	0	0	(1,496,275)	1,496,275
ECONOMIC DEVELOPMENT 5%	0	0	(190,314)	0	0	47,713	0	0	0	(142,601)	142,601
AVIATION - EXPENSES	0	0	(137,637)	0	0	34,507	0	0	0	(103,131)	103,131
EXECUTIVE COMPENSATION	0	0	(39,447,026)	0	0	9,889,609	0	0	0	(29,557,417)	29,557,417
FUEL COST REC RETAIL	(2,868,434,666)	(2,842,351,331)	(830,672)	143,759	(2,020,092)	(61,084,165)	55,827,989	0	0	(2,850,314,512)	(18,120,154)
CONSERVATION COST RECOVERY	(55,833,540)	0	(43,706,598)	(9,446,116)	(1,076,859)	(400,861)	(1,277)	0	0	(54,631,711)	(1,201,829)
CAPACITY COST RECOVERY	(265,317,424)	(163,038,650)	(30,164,746)	(13,087,048)	(334,341)	(15,068,295)	357,566	0	0	(221,335,514)	(43,981,910)
ENVIRONMENTAL COST RECOVERY	(174,045,068)	0	(29,387,728)	(38,586,648)	(316,010)	(24,735,930)	(1,796,955)	0	361	(94,822,911)	(79,222,157)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	818,398	0	(205,177)	0	0	0	613,221	(613,221)
STORM DEFICIENCY RECOVERY	(40,698,516)	0	(266,305)	(38,590,291)	0	(461,780)	0	0	0	(39,318,376)	(1,380,139)
INTEREST TAX DEFICIENCIES	0	0	336,067	0	0	(84,254)	0	0	0	251,813	(251,813)
INTEREST SYNCHRONIZATION	0	0	0	0	0	9,224,698	(4,103,143)	0	0	5,121,556	(5,121,556)
TOTAL FPSC ADJUSTMENTS	\$ (4,164,657,377)	(3,005,389,981)	(146,260,298)	(98,747,946)	(763,806,070)	(82,293,400)	50,284,180	0	361	(4,046,213,154)	\$ (118,444,223)
FPSC ADJUSTED	\$ 7,218,921,582	19,901,166	1,369,072,790	2,154,900,111	567,683,788	269,850,494	(13,037,512)	110,921,354	(4,189,318)	4,475,102,874	\$ 2,743,818,708
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (243,279,967)	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,975,641,615	19,901,166	1,369,072,790	2,154,900,111	567,508,626	208,902,644	(13,037,512)	110,921,354	(4,189,318)	4,413,979,863	\$ 2,561,661,752
 (A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY											
	\$ 70,174,628										
	\$ 67,592,070										
 (B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 3,929,239										
ON A JURISDICTIONAL BASIS	\$ 3,806,275										
 CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	\$ 869,040,103	201,219,999	96,600,368	175,529,386	106,442,153	(119,831)	31,786,882	(1,557,549)	(86,850)	609,814,558	\$ 259,225,544
JURISDICTIONAL PER BOOKS	\$ 835,878,507	191,615,972	92,870,938	169,112,314	104,594,087	(114,944)	30,379,621	(1,503,048)	(86,849)	586,868,091	\$ 249,010,416

NOTES:

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

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
MARCH, 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)	\$ (243,279,967)	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)
TOTAL PROFORMA ADJUSTMENTS	\$ (243,279,967)	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)

FOOTNOTES:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
MARCH, 2020

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,486,391,514	\$ 1,419,270,559
FUEL AND CAPACITY	170,421,664	162,989,952
CAPITALIZED EXECUTIVE COMPENSATION	36,067,747	34,939,022
LOAD CONTROL	47,279,697	47,279,697
ASSET RETIREMENT OBLIGATION	417,591,737	404,523,385
CAPITAL LEASES	100,164,357	97,029,757
TOTAL	<u>\$ 2,257,916,716</u>	<u>\$ 2,166,032,372</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (345,441,378)	\$ (329,842,288)
ACCUM PROV DECOMMISSIONING COSTS	(4,892,035,971)	(4,683,715,762)
ASSET RETIREMENT OBLIGATION	(34,333,763)	(33,259,303)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,539,587,609	4,397,523,186
FUEL AND CAPACITY	(49,089,938)	(46,818,578)
OTHER RATE CASE ADJUSTMENTS (1)	62,954	62,954
LOAD CONTROL	(26,317,947)	(26,317,947)
CAPITAL LEASES	(31,530,517)	(30,543,783)
TOTAL	<u>\$ (839,098,952)</u>	<u>\$ (752,911,522)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,344,702,317	\$ 1,259,248,744
CWIP - CLAUSE PROJECTS	83,779,059	80,177,787
TOTAL	<u>\$ 1,428,481,376</u>	<u>\$ 1,339,426,531</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)	\$ (3,928,470,153)	\$ (3,822,304,470)
TOTAL ADJUSTMENTS	<u>\$ (1,081,171,013)</u>	<u>\$ (1,069,757,089)</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
MARCH, 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	\$ 11,812,410,529	3,167,418,722	1,561,930,334	2,328,459,253	1,351,743,811	368,323,802	(63,250,367)	114,943,388	(4,189,695)	8,825,379,247	\$ 2,987,031,282
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (499,838,664)	0	0	0	(12,855,850)	(123,194,143)	0	0	0	(136,049,994)	\$ (363,788,670)
FRANCHISE EXPENSE	0	0	0	0	(486,967,419)	123,190,263	0	0	0	(363,777,156)	363,777,156
GROSS RECEIPTS TAX	(260,489,500)	0	0	0	(260,235,498)	(64,293)	0	0	0	(260,299,791)	(189,708)
FINANCIAL PLANNING SERVICES	0	0	(483,557)	0	0	122,334	0	0	0	(361,223)	361,223
INDUSTRY ASSOCIATION DUES	0	0	(2,061,425)	0	0	521,192	0	0	0	(1,540,233)	1,540,233
ECONOMIC DEVELOPMENT 5%	0	0	(196,462)	0	0	49,665	0	0	0	(146,797)	146,797
AVIATION - EXPENSES	0	0	(142,084)	0	0	35,923	0	0	0	(106,161)	106,161
EXECUTIVE COMPENSATION	0	0	(40,721,384)	0	0	10,295,160	0	0	0	(30,426,225)	30,426,225
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY	(2,997,845,679)	(2,976,127,464)	(872,625)	151,019	(2,021,553)	(60,905,800)	56,122,875	0	0	(2,983,653,548)	(14,192,131)
CONSERVATION COST RECOVERY	(55,833,540)	0	(43,706,598)	(9,446,116)	(1,076,859)	(404,357)	(1,277)	0	0	(54,635,208)	(1,198,332)
CAPACITY COST RECOVERY	(265,702,432)	(170,280,854)	(31,504,669)	(13,668,377)	(340,984)	(13,007,983)	357,566	0	0	(228,445,302)	(37,257,130)
ENVIRONMENTAL COST RECOVERY	(174,045,068)	0	(30,777,549)	(40,411,510)	(325,029)	(24,159,018)	(1,796,955)	0	378	(97,469,683)	(76,575,385)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	818,398	0	(205,177)	0	0	0	613,221	(613,221)
STORM DEFICIENCY RECOVERY	(40,698,516)	0	(266,305)	(38,590,291)	0	(466,419)	0	0	0	(39,323,015)	(1,375,500)
INTEREST TAX DEFICIENCIES	0	0	346,924	0	0	(87,672)	0	0	0	259,252	(259,252)
INTEREST SYNCHRONIZATION	0	0	0	0	0	9,449,509	(4,235,697)	0	0	5,213,812	(5,213,812)
TOTAL FPSC ADJUSTMENTS	\$ (4,294,453,398)	(3,146,408,319)	(150,385,735)	(101,146,877)	(763,823,193)	(78,830,818)	50,446,512	0	378	(4,190,148,052)	\$ (104,305,347)
FPSC ADJUSTED	\$ 7,517,957,131	21,010,403	1,411,544,599	2,227,312,376	587,920,618	289,492,984	(12,803,855)	114,943,388	(4,189,318)	4,635,231,196	\$ 2,882,725,935
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ (243,279,967)	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,274,677,164	21,010,403	1,411,544,599	2,227,312,376	587,745,457	228,545,135	(12,803,855)	114,943,388	(4,189,318)	4,574,108,185	\$ 2,700,568,980

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

\$ 70,174,628

NOTES:

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

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
MARCH, 2020

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	35,547,912	34,389,730
INTEREST & DIVIDENDS RECEIVABLE	604,916	585,207
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC	93,456,017	94,140,296
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	15,560,333	15,560,333
PREPAYMENTS - ECCR	43,917,770	43,917,770
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	7,393,652	7,121,552
TEMPORARY CASH INVESTMENTS	75,317,383	72,863,478
STORM DEFICIENCY RECOVERY	4,323,918	4,323,918
NUCLEAR COST RECOVERY	0	0
JOBGING ACCOUNTS	24,452,765	23,656,073
OTH REG ASSETS - CLAUSES	5,321,601	5,065,757
MISC. DEFFERED DEBIT - CLAUSES	4,658,777	4,434,799
CEDAR BAY TRANSACTION	476,648,361	456,376,058
ICL TRANSACTION	313,541,667	300,206,445
SJRPP TRANSACTION	89,756,293	88,696,720
EARLY RETIRED ASSETS	137,371,061	128,303,267
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,327,872,425	\$ 1,279,641,402
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	27,692,308	26,790,065
ACCUM DEFERRED RETIREMENT BENEFITS	(204,792)	(198,383)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(39,703,577)	(39,703,577)
ACCUM. PROV. - RATE REFUNDS	0	0
GAIN ON SALE OF EMISSION ALLOWANCE	(391)	(374)
JOBGING ACCOUNTS	(24,512,115)	(23,713,489)
POLE ATTACHMENT RENTS PAYABLE	(7,550,494)	(7,550,494)
SJRPP ACCELERATED RECOVERY	(5,382,931)	(5,153,990)
STORM DEFICIENCY RECOVERY	(37,033,158)	(37,033,158)
ASSET RETIREMENT OBLIGATION	(4,922,845,583)	(4,768,787,268)
MARGIN CALL CASH COLLATERAL	(1,336,538)	(1,292,993)
NUCLEAR COST RECOVERY	(241,630,584)	(241,630,584)
CEDAR BAY TRANSACTION	(3,834,721)	(3,671,627)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (5,256,342,577)	\$ (5,101,945,872)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,928,470,153)	\$ (3,822,304,470)

NOTES:

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
MARCH, 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)	\$ (243,279,967)	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)
TOTAL PROFORMA ADJUSTMENTS	\$ (243,279,967)	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)

FOOTNOTES:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
RATE BASE
MARCH, 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	\$ 55,045,069,530	16,385,838,515	38,659,231,015	499,236,377	3,531,222,758	650,466,837	43,340,156,987	(499,275,202)	\$ 42,840,881,785
JURISDICTIONAL PER BOOKS	\$ 52,828,733,121	13,392,162,828	39,436,570,292	474,986,092	3,353,904,565	616,495,617	43,881,956,567	(2,700,709,289)	\$ 41,181,247,278
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,115,880,644)	(758,944,054)	(1,356,936,590)	0	(1,587,767,838)	0	(2,944,704,428)	3,822,304,470	\$ 877,600,043
FPSC ADJUSTED:	\$ 50,712,852,476	12,633,218,774	38,079,633,702	474,986,092	1,766,136,728	616,495,617	40,937,252,139	1,121,595,182	\$ 42,058,847,321
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 50,712,852,476	12,633,218,774	38,079,633,702	474,986,092	1,766,136,728	616,495,617	40,937,252,139	1,121,595,182	\$ 42,058,847,321

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
MARCH, 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	\$ 11,812,410,529	3,167,418,722	1,561,930,334	2,328,459,253	1,351,743,811	368,323,802	(63,250,367)	114,943,388	(4,189,695)	8,825,379,247	\$ 2,987,031,282
JURISDICTIONAL PER BOOKS	\$ 11,383,578,959	3,025,291,147	1,515,333,088	2,253,648,058	1,331,489,857	352,143,894	(63,321,692)	110,921,354	(4,189,678)	8,521,316,028	\$ 2,862,262,931
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (499,838,664)	0	0	0	(12,855,850)	(122,089,546)	0	0	0	(134,945,396)	\$ (364,893,268)
FRANCHISE EXPENSE	0	0	0	0	(486,967,419)	122,085,686	0	0	0	(364,881,733)	364,881,733
GROSS RECEIPTS TAX	(260,489,500)	0	0	0	(260,235,498)	(63,680)	0	0	0	(260,299,178)	(190,322)
FINANCIAL PLANNING SERVICES	0	0	(468,424)	0	0	117,437	0	0	0	(350,988)	350,988
INDUSTRY ASSOCIATION DUES	0	0	(1,996,914)	0	0	500,638	0	0	0	(1,496,275)	1,496,275
ECONOMIC DEVELOPMENT 5%	0	0	(190,314)	0	0	47,713	0	0	0	(142,601)	142,601
AVIATION - EXPENSES	0	0	(137,637)	0	0	34,507	0	0	0	(103,131)	103,131
EXECUTIVE COMPENSATION	0	0	(39,447,026)	0	0	9,889,609	0	0	0	(29,557,417)	29,557,417
FUEL COST REC RETAIL	(2,868,434,666)	(2,842,351,331)	(830,672)	143,759	(2,020,092)	(61,084,165)	55,827,989	0	0	(2,850,314,512)	(18,120,154)
CONSERVATION COST RECOVERY	(55,833,540)	0	(43,706,598)	(9,446,116)	(1,076,859)	(400,861)	(1,277)	0	0	(54,631,711)	(1,201,829)
CAPACITY COST RECOVERY	(265,317,424)	(163,038,650)	(30,164,746)	(13,087,048)	(334,341)	(15,068,295)	357,566	0	0	(221,335,514)	(43,981,910)
ENVIRONMENTAL COST RECOVERY	(174,045,068)	0	(29,387,728)	(38,586,648)	(316,010)	(24,735,930)	(1,796,955)	0	361	(94,822,911)	(79,222,157)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	818,398	0	(205,177)	0	0	0	613,221	(613,221)
STORM DEFICIENCY RECOVERY	(40,698,516)	0	(266,305)	(38,590,291)	0	(461,780)	0	0	0	(39,318,376)	(1,380,139)
INTEREST TAX DEFICIENCIES	0	0	336,067	0	0	(84,254)	0	0	0	251,813	(251,813)
INTEREST SYNCHRONIZATION	0	0	0	0	0	10,088,524	(4,103,143)	0	0	5,985,381	(5,985,381)
TOTAL FPSC ADJUSTMENTS	\$ (4,164,657,377)	(3,005,389,981)	(146,260,298)	(98,747,946)	(763,806,070)	(81,429,575)	50,284,180	0	361	(4,045,349,329)	\$ (119,308,048)
FPSC ADJUSTED	\$ 7,218,921,582	19,901,166	1,369,072,790	2,154,900,111	567,683,788	270,714,319	(13,037,512)	110,921,354	(4,189,318)	4,475,966,700	\$ 2,742,954,882
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (243,279,967)	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,975,641,615	19,901,166	1,369,072,790	2,154,900,111	567,508,626	209,766,470	(13,037,512)	110,921,354	(4,189,318)	4,414,843,689	\$ 2,560,797,927

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

\$ 70,174,628
\$ 67,592,070

NOTES:

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

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
MARCH, 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)	\$ (243,279,967)	0	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)
TOTAL PROFORMA ADJUSTMENTS	\$ (243,279,967)	0	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)

FOOTNOTES:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
MARCH, 2020

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,494,722,249	\$ 1,427,225,103
FUEL AND CAPACITY	173,533,093	165,969,315
CAPITALIZED EXECUTIVE COMPENSATION	39,355,332	38,123,724
LOAD CONTROL	45,734,051	45,734,051
ASSET RETIREMENT OBLIGATION	350,827,564	339,848,568
CAPITAL LEASES	102,177,484	98,979,884
TOTAL	<u>\$ 2,206,349,773</u>	<u>\$ 2,115,880,644</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (369,006,010)	\$ (352,342,812)
ACCUM PROV DECOMMISSIONING COSTS	(4,587,286,999)	(4,391,944,080)
ASSET RETIREMENT OBLIGATION	(28,526,106)	(27,633,394)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,255,569,179	4,122,392,989
FUEL AND CAPACITY	(52,146,715)	(49,745,614)
OTHER RATE CASE ADJUSTMENTS (1)	818,398	818,398
LOAD CONTROL	(25,339,935)	(25,339,935)
CAPITAL LEASES	(36,285,134)	(35,149,607)
TOTAL	<u>\$ (842,203,322)</u>	<u>\$ (758,944,054)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,598,953,796	\$ 1,491,783,407
CWIP - CLAUSE PROJECTS	100,427,873	95,984,431
TOTAL	<u>\$ 1,699,381,669</u>	<u>\$ 1,587,767,838</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)	\$ (3,928,470,153)	\$ (3,822,304,470)
TOTAL ADJUSTMENTS	<u>\$ (864,942,034)</u>	<u>\$ (877,600,043)</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
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
MARCH, 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	\$ 11,812,410,529	3,167,418,722	1,561,930,334	2,328,459,253	1,351,743,811	368,323,802	(63,250,367)	114,943,388	(4,189,695)	8,825,379,247	\$ 2,987,031,282
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (499,838,664)	0	0	0	(12,855,850)	(123,194,143)	0	0	0	(136,049,994)	\$ (363,788,670)
FRANCHISE EXPENSE	0	0	0	0	(486,967,419)	123,190,263	0	0	0	(363,777,156)	363,777,156
GROSS RECEIPTS TAX	(260,489,500)	0	0	0	(260,235,498)	(64,293)	0	0	0	(260,299,791)	(189,708)
FINANCIAL PLANNING SERVICES	0	0	(483,557)	0	0	122,334	0	0	0	(361,223)	361,223
INDUSTRY ASSOCIATION DUES	0	0	(2,061,425)	0	0	521,192	0	0	0	(1,540,233)	1,540,233
ECONOMIC DEVELOPMENT 5%	0	0	(196,462)	0	0	49,665	0	0	0	(146,797)	146,797
AVIATION - EXPENSES	0	0	(142,084)	0	0	35,923	0	0	0	(106,161)	106,161
EXECUTIVE COMPENSATION	0	0	(40,721,384)	0	0	10,295,160	0	0	0	(30,426,225)	30,426,225
FUEL COST REC RETAIL	(2,997,845,679)	(2,976,127,464)	(872,625)	151,019	(2,021,553)	(60,905,800)	56,122,875	0	0	(2,983,653,548)	(14,192,131)
CONSERVATION COST RECOVERY	(55,833,540)	0	(43,706,598)	(9,446,116)	(1,076,859)	(404,357)	(1,277)	0	0	(54,635,208)	(1,198,332)
CAPACITY COST RECOVERY	(265,702,432)	(170,280,854)	(31,504,669)	(13,668,377)	(340,984)	(13,007,983)	357,566	0	0	(228,445,302)	(37,257,130)
ENVIRONMENTAL COST RECOVERY	(174,045,068)	0	(30,777,549)	(40,411,510)	(325,029)	(24,159,018)	(1,796,955)	0	378	(97,469,683)	(76,575,385)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	818,398	0	(205,177)	0	0	0	613,221	(613,221)
STORM DEFICIENCY RECOVERY	(40,698,516)	0	(266,305)	(38,590,291)	0	(466,419)	0	0	0	(39,323,015)	(1,375,500)
INTEREST TAX DEFICIENCIES	0	0	346,924	0	0	(87,672)	0	0	0	259,252	(259,252)
INTEREST SYNCHRONIZATION	0	0	0	0	0	10,279,893	(4,235,697)	0	0	6,044,196	(6,044,196)
TOTAL FPSC ADJUSTMENTS	\$ (4,294,453,398)	(3,146,408,319)	(150,385,735)	(101,146,877)	(763,823,193)	(78,000,434)	50,446,512	0	378	(4,189,317,667)	\$ (105,135,731)
FPSC ADJUSTED	\$ 7,517,957,131	21,010,403	1,411,544,599	2,227,312,376	587,920,618	290,323,368	(12,803,855)	114,943,388	(4,189,318)	4,636,061,580	\$ 2,881,895,551
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ (243,279,967)	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,274,677,164	21,010,403	1,411,544,599	2,227,312,376	587,745,457	229,375,519	(12,803,855)	114,943,388	(4,189,318)	4,574,938,569	\$ 2,699,738,596

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

\$ 70,174,628

NOTES:

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

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
MARCH, 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)	\$ (243,279,967)	0	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)
TOTAL PROFORMA ADJUSTMENTS	\$ (243,279,967)	0	0	0	0	(175,162)	(60,947,849)	0	0	0	(61,123,011)	\$ (182,156,956)

FOOTNOTES:

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

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
MARCH, 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	\$ 12,316,987,308			\$ 11,846,783,977	\$ 431,850,557	\$ (76,864,952)	\$ 12,201,769,582	30.24%	4.23%
SHORT TERM DEBT	628,311,375	604,294,317	22,172,186	(0)	626,466,503	1.55%	3.39%	0.05%	3.39%	0.05%	3.39%	0.05%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,722,110,688	18,006,462,304	660,675,809	-	18,667,138,114	46.27%	9.60%	4.44%	10.55%	4.88%	11.60%	5.37%
CUSTOMER DEPOSITS	404,573,210	404,296,567	14,834,061	(0)	419,130,628	1.04%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%
DEFERRED INCOME TAX (1)	8,222,025,563	7,906,248,924	284,300,894	(157,738,606)	8,032,811,212	19.91%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	530,201,454	509,037,178	14,141,561	(123,614,422)	399,564,317	0.99%	7.45%	0.07%	8.05%	0.08%	8.66%	0.09%
TOTAL	\$ 40,824,209,598	\$ 39,277,123,268	\$ 1,427,975,069	\$ (358,217,980)	\$ 40,346,880,357	100.00%		5.87%		6.31%		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	\$ 13,603,903,075			\$ 13,073,092,710	\$ 391,666,852	\$ (74,209,256)	\$ 13,390,550,306	31.84%	3.93%
SHORT TERM DEBT	186,190,618	178,915,840	5,390,879	-	184,306,718	0.44%	3.47%	0.02%	3.47%	0.02%	3.47%	0.02%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	19,919,796,628	19,141,496,868	576,748,752	(0)	19,718,245,621	46.88%	9.60%	4.50%	10.55%	4.95%	11.60%	5.44%
CUSTOMER DEPOSITS	405,296,590	404,864,567	12,198,896	0	417,063,463	0.99%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX (1)	8,126,865,791	7,808,114,739	230,512,009	(157,738,606)	7,880,888,142	18.74%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	598,829,082	574,762,553	13,682,712	(120,652,195)	467,793,070	1.11%	7.28%	0.08%	7.87%	0.09%	8.47%	0.09%
TOTAL	\$ 42,840,881,785	\$ 41,181,247,278	\$ 1,230,200,099	\$ (352,600,057)	\$ 42,058,847,321	100.00%		5.87%		6.32%		6.82%

NOTE:

(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$2,942 MILLION OF EXCESS DEFERRED TAXES

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

(3) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
CAPITAL STRUCTURE
PROFORMA ADJUSTED BASIS
MARCH, 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	\$ 12,201,769,582	\$ -	\$ 12,201,769,582	30.24%	4.23%	1.28%	4.23%	1.28%	4.23%	1.28%
SHORT TERM DEBT	626,466,503	-	626,466,503	1.55%	3.39%	0.05%	3.39%	0.05%	3.39%	0.05%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	18,667,138,114	-	18,667,138,114	46.27%	9.60%	4.44%	10.55%	4.88%	11.60%	5.37%
CUSTOMER DEPOSITS	419,130,628	-	419,130,628	1.04%	2.11%	0.02%	2.11%	0.02%	2.11%	0.02%
DEFERRED INCOME TAX	8,032,811,212	-	8,032,811,212	19.91%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	399,564,317	-	399,564,317	0.99%	7.45%	0.07%	8.05%	0.08%	8.66%	0.09%
TOTAL	\$ 40,346,880,357	\$ -	\$ 40,346,880,357	100.00%		5.87%		6.31%		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	\$ 13,390,550,306	\$ -	\$ 13,390,550,306	31.84%	3.93%	1.25%	3.93%	1.25%	3.93%	1.25%
SHORT TERM DEBT	184,306,718	-	184,306,718	0.44%	3.47%	0.02%	3.47%	0.02%	3.47%	0.02%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	19,718,245,621	-	19,718,245,621	46.88%	9.60%	4.50%	10.55%	4.95%	11.60%	5.44%
CUSTOMER DEPOSITS	417,063,463	-	417,063,463	0.99%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX	7,880,888,142	-	7,880,888,142	18.74%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	467,793,070	-	467,793,070	1.11%	7.28%	0.08%	7.87%	0.09%	8.47%	0.09%
TOTAL	\$ 42,058,847,321	\$ -	\$ 42,058,847,321	100.00%		5.87%		6.32%		6.82%

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	\$ 2,986,681,336
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	16,712,163
INCOME TAXES	<u>408,970,191</u>
TOTAL	\$ 3,412,363,690
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 620,269,301</u>
TIMES INTEREST EARNED WITH AFUDC	<u>5.50</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 2,986,681,336
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(53,462,465)
INCOME TAXES	<u>408,970,191</u>
TOTAL	\$ 3,342,189,062
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 620,269,301</u>
TIMES INTEREST EARNED WITHOUT AFUDC	<u>5.39</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 16,712,163
X (1 - INCOME_TAX_RATE)	<u>0.7493</u>
SUBTOTAL	\$ 12,522,323
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	53,462,465
TOTAL	<u>\$ 65,984,787</u>
NET INCOME AVAILABLE FOR COMMON	<u>\$ 2,383,124,199</u>
AFUDC AS PERCENT OF NET INCOME	<u>2.77%</u>

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 386,028,341
GAINS ON DISPOSITION OF PROPERTY	(4,189,695)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	<u>0</u>
TOTAL	<u>\$ 381,838,646</u>
** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF:	<u>0</u>

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 2,383,124,199
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(2,200,000,000)
AFUDC (DEBT & OTHER)	(70,174,628)
DEPRECIATION AND AMORTIZATION EXPENSE	2,328,459,253
DEFERRED INCOME TAXES	(70,728,556)
INVESTMENT TAX CREDITS	114,943,388
OTHER SOURCE/USES OF FUNDS	<u>381,838,646</u>
INTERNALLY GENERATED FUNDS	\$ 2,867,462,302
CONSTRUCTION EXPENDITURES	<u>\$ 5,316,816,811</u>
PERCENT INTERNALLY GENERATED FUNDS	<u>53.93%</u>

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

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

AVERAGE RETAIL AMOUNTS	
JURIS ADJUSTED LONG TERM DEBT	\$ 12,201,769,582
JURIS ADJUSTED SHORT TERM DEBT	626,466,503
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	<u>18,667,138,114</u>
TOTAL	\$ 31,495,374,199
LTD TO TOTAL INVESTOR FUNDS	<u>38.74%</u>
STD TO TOTAL INVESTOR FUNDS	<u>1.99%</u>

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.80%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	1.28%
SHORT TERM DEBT	0.05%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	<u>0.08%</u>
SUBTOTAL	1.43%
TOTAL	<u>5.37%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>46.27%</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 6.35%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT 1.28%

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 4.92%

PRO FORMA COMMON EQUITY RATIO 46.27%

PRO FORMA RETURN ON COMMON EQUITY 10.62%