



July 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 May 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 May 31, 2020 is \$744,346,441.

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
MAY, 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	\$ 2,975,358,537 (A)	(184,280,709) (B)	2,791,077,828	(192,674,847)	\$ 2,598,402,982
RATE BASE	\$ 39,961,744,447	958,757,436	40,920,501,883	0	\$ 40,920,501,883
AVERAGE RATE OF RETURN	7.45%		6.82%		6.35%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 2,975,358,537 (A)	(182,498,672) (B)	2,792,859,865	(192,674,847)	\$ 2,600,185,018
RATE BASE	\$ 41,965,402,790	1,056,648,350	43,022,051,140	0	\$ 43,022,051,140
YEAR END RATE OF RETURN	7.09%		6.49%		6.04%
(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	6.83%

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	2.88%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	51.85%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	39.12%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	1.44%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.60%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.59%	(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 §. 775.082, S. 775.083, OR S. 775.084.

KEITH FERGUSON
(VICE PRESIDENT ACCOUNTING AND CONTROLLER)

Keith Ferguson
(SIGNATURE)
on behalf of Keith Ferguson

7/15/2020
(DATE)

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
MAY, 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	\$ 53,895,729,245	16,106,517,704	37,789,211,541	468,940,271	3,076,675,323	625,753,238	41,960,580,373	(429,048,728)	\$ 41,531,531,646
JURISDICTIONAL PER BOOKS	\$ 51,718,551,119	13,153,309,386	38,565,241,733	446,152,346	2,926,688,817	593,072,709	42,531,155,605	(2,569,411,158)	\$ 39,961,744,447
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,151,420,153)	(759,689,027)	(1,391,731,125)	0	(1,379,952,109)	0	(2,771,683,234)	3,730,440,670	\$ 958,757,436
FPSC ADJUSTED:	\$ 49,567,130,966	12,393,620,359	37,173,510,607	446,152,346	1,546,736,708	593,072,709	39,759,472,370	1,161,029,513	\$ 40,920,501,883
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 49,567,130,966	12,393,620,359	37,173,510,607	446,152,346	1,546,736,708	593,072,709	39,759,472,370	1,161,029,513	\$ 40,920,501,883

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
MAY, 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	\$ 11,545,621,366	2,929,924,306	1,533,157,909	2,287,641,020	1,354,016,758	246,746,102	(47,162,413)	214,884,730	(3,338,604)	8,515,869,808	\$ 3,029,751,559
JURISDICTIONAL PER BOOKS	\$ 11,121,932,036	2,794,019,065	1,487,673,703	2,211,981,849	1,333,267,326	235,975,624	(48,601,395)	207,365,605	(3,338,589)	8,218,343,188	\$ 2,903,588,848
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (493,372,896)	0	0	0	(12,689,551)	(119,850,749)	0	0	0	(132,540,300)	\$ (360,832,596)
FRANCHISE EXPENSE	0	0	0	0	(480,667,818)	119,846,878	0	0	0	(360,820,940)	360,820,940
GROSS RECEIPTS TAX	(255,377,196)	0	0	0	(255,117,600)	(64,726)	0	0	0	(255,182,326)	(194,870)
FINANCIAL PLANNING SERVICES	0	0	(529,591)	0	0	132,045	0	0	0	(397,546)	397,546
INDUSTRY ASSOCIATION DUES	0	0	(2,051,330)	0	0	511,467	0	0	0	(1,539,864)	1,539,864
ECONOMIC DEVELOPMENT 5%	0	0	(203,087)	0	0	50,637	0	0	0	(152,450)	152,450
AVIATION - EXPENSES	0	0	(121,027)	0	0	30,176	0	0	0	(90,851)	90,851
EXECUTIVE COMPENSATION	0	0	(42,332,813)	0	0	10,555,014	0	0	0	(31,777,799)	31,777,799
FUEL COST REC RETAIL	(2,635,955,474)	(2,611,071,214)	(642,264)	143,735	(1,852,066)	(29,374,574)	24,148,320	0	0	(2,618,648,064)	(17,307,410)
CONSERVATION COST RECOVERY	(54,486,481)	0	(42,699,318)	(9,118,232)	(1,035,115)	(406,237)	(1,148)	0	0	(53,260,049)	(1,226,432)
CAPACITY COST RECOVERY	(265,117,432)	(163,268,698)	(30,656,342)	(13,288,625)	(334,656)	(14,069,902)	(288,729)	0	0	(221,906,952)	(43,210,480)
ENVIRONMENTAL COST RECOVERY	(175,083,920)	0	(29,234,158)	(38,961,492)	(315,253)	(24,706,442)	(1,896,726)	0	314	(95,113,756)	(79,970,164)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(917,487)	0	228,761	0	0	0	(688,726)	688,726
STORM DEFICIENCY RECOVERY	(21,924,993)	0	(121,772)	(21,631,439)	0	(42,831)	0	0	0	(21,796,042)	(128,951)
INTEREST TAX DEFICIENCIES	0	0	350,221	0	0	(87,322)	0	0	0	262,899	(262,899)
INTEREST SYNCHRONIZATION	0	0	0	0	0	9,235,024	(4,389,629)	0	0	4,845,395	(4,845,395)
TOTAL FPSC ADJUSTMENTS	\$ (3,901,318,391)	(2,774,339,912)	(148,241,480)	(83,773,539)	(752,012,060)	(48,012,783)	17,572,088	0	314	(3,788,807,372)	\$ (112,511,020)
FPSC ADJUSTED	\$ 7,220,613,645	19,679,153	1,339,432,224	2,128,208,309	581,255,266	187,962,841	(31,029,307)	207,365,605	(3,338,275)	4,429,535,816	\$ 2,791,077,828
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (256,856,842)	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,963,756,803	19,679,153	1,339,432,224	2,128,208,309	581,070,329	123,965,782	(31,029,307)	207,365,605	(3,338,275)	4,365,353,821	\$ 2,598,402,982
 (A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY											
	\$ 74,511,866										
	\$ 71,769,689										
 (B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 4,192,956										
ON A JURISDICTIONAL BASIS	\$ 4,061,739										
 CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	\$ 800,164,179	77,611,819	102,768,378	164,979,856	100,040,807	55,460,207	4,244,029	(1,924,306)	(69,421)	503,111,368	\$ 297,052,811
JURISDICTIONAL PER BOOKS	\$ 763,673,567	67,016,013	99,303,545	158,455,940	98,201,401	53,230,877	4,017,657	(1,856,972)	(69,421)	478,299,039	\$ 285,374,528

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
MAY, 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)	\$ (256,856,842)	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)
TOTAL PROFORMA ADJUSTMENTS	\$ (256,856,842)	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)

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
MAY, 2020

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,488,542,320	\$ 1,421,375,318
FUEL AND CAPACITY	171,056,748	163,593,155
CAPITALIZED EXECUTIVE COMPENSATION	37,342,474	36,173,858
LOAD CONTROL	45,576,370	45,576,370
ASSET RETIREMENT OBLIGATION	399,633,315	387,126,964
CAPITAL LEASES	100,726,685	97,574,487
TOTAL	<u>\$ 2,242,877,912</u>	<u>\$ 2,151,420,153</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (353,366,227)	\$ (337,421,400)
ACCUM PROV DECOMMISSIONING COSTS	(4,874,244,553)	(4,666,681,966)
ASSET RETIREMENT OBLIGATION	(34,167,245)	(33,097,996)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,522,998,671	4,381,453,392
FUEL AND CAPACITY	(49,161,584)	(46,882,115)
OTHER RATE CASE ADJUSTMENTS (1)	(70,576)	(70,576)
LOAD CONTROL	(24,822,210)	(24,822,210)
CAPITAL LEASES	(33,205,302)	(32,166,156)
TOTAL	<u>\$ (846,039,026)</u>	<u>\$ (759,689,027)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,384,602,600	\$ 1,295,312,827
CWIP - CLAUSE PROJECTS	88,472,684	84,639,282
TOTAL	<u>\$ 1,473,075,283</u>	<u>\$ 1,379,952,109</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)	\$ (3,833,371,861)	\$ (3,730,440,670)
TOTAL ADJUSTMENTS	\$ (963,457,691)	\$ (958,757,436)

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
MAY, 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	\$ 11,545,621,366	2,929,924,306	1,533,157,909	2,287,641,020	1,354,016,758	246,746,102	(47,162,413)	214,884,730	(3,338,604)	8,515,869,808	\$ 3,029,751,559
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (493,372,896)	0	0	0	(12,689,551)	(121,336,886)	0	0	0	(134,026,436)	\$ (359,346,460)
FRANCHISE EXPENSE	0	0	0	0	(480,667,818)	121,332,972	0	0	0	(359,334,847)	359,334,847
GROSS RECEIPTS TAX	(255,377,196)	0	0	0	(255,117,600)	(65,594)	0	0	0	(255,183,195)	(194,002)
FINANCIAL PLANNING SERVICES	0	0	(546,699)	0	0	137,948	0	0	0	(408,752)	408,752
INDUSTRY ASSOCIATION DUES	0	0	(2,117,600)	0	0	534,313	0	0	0	(1,583,287)	1,583,287
ECONOMIC DEVELOPMENT 5%	0	0	(209,648)	0	0	52,898	0	0	0	(156,749)	156,749
AVIATION - EXPENSES	0	0	(124,937)	0	0	31,553	0	0	0	(93,383)	93,383
EXECUTIVE COMPENSATION	0	0	(43,700,398)	0	0	11,016,749	0	0	0	(32,683,650)	32,683,650
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY	(2,757,620,717)	(2,738,627,320)	(674,813)	151,019	(1,853,508)	(29,540,127)	24,659,913	0	0	(2,745,884,837)	(11,735,880)
CONSERVATION COST RECOVERY	(54,486,481)	0	(42,699,318)	(9,118,232)	(1,035,115)	(410,992)	(1,148)	0	0	(53,264,803)	(1,221,677)
CAPACITY COST RECOVERY	(265,495,370)	(170,520,840)	(32,018,049)	(13,878,885)	(341,315)	(12,049,486)	(288,729)	0	0	(229,097,303)	(36,398,067)
ENVIRONMENTAL COST RECOVERY	(175,083,920)	0	(30,615,616)	(40,802,615)	(324,194)	(24,209,634)	(1,896,726)	0	329	(97,848,455)	(77,235,465)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(917,487)	0	228,761	0	0	0	(688,726)	688,726
STORM DEFICIENCY RECOVERY	(21,924,993)	0	(121,772)	(21,631,439)	0	(43,097)	0	0	0	(21,796,308)	(128,685)
INTEREST TAX DEFICIENCIES	0	0	361,535	0	0	(91,135)	0	0	0	270,400	(270,400)
INTEREST SYNCHRONIZATION	0	0	0	0	0	9,485,734	(4,531,438)	0	0	4,954,296	(4,954,296)
TOTAL FPSC ADJUSTMENTS	\$ (4,023,361,573)	(2,909,148,160)	(152,467,314)	(86,197,638)	(752,029,101)	(44,926,024)	17,941,872	0	329	(3,926,826,035)	\$ (96,535,538)
FPSC ADJUSTED	\$ 7,522,259,793	20,776,147	1,380,690,595	2,201,443,382	601,987,657	201,820,078	(29,220,541)	214,884,730	(3,338,275)	4,589,043,773	\$ 2,933,216,021
PRO FORMA ADJUSTMENTS											
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ (256,856,842)	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,265,402,951	20,776,147	1,380,690,595	2,201,443,382	601,802,720	137,823,020	(29,220,541)	214,884,730	(3,338,275)	4,524,861,777	\$ 2,740,541,174

(A) THE ADDITION OF EARNINGS FROM AFUDC
WOULD INCREASE THE SYSTEM NOI BY \$ 74,511,866

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
MAY, 2020

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	35,891,828	34,722,441
INTEREST & DIVIDENDS RECEIVABLE	552,720	534,712
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC	68,236,853	69,274,168
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	18,086,886	18,086,886
PREPAYMENTS - ECCR	43,418,705	43,418,705
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	7,126,867	6,864,585
TEMPORARY CASH INVESTMENTS	178,707,417	172,884,976
STORM DEFICIENCY RECOVERY	381,256	381,256
NUCLEAR COST RECOVERY	0	0
JOBGING ACCOUNTS	25,107,885	24,289,849
OTH REG ASSETS - CLAUSES	6,361,654	6,054,803
MISC. DEFFERED DEBIT - CLAUSES	4,845,130	4,611,428
CEDAR BAY TRANSACTION	461,516,667	441,888,659
ICL TRANSACTION	305,180,555	292,201,422
SJRPP TRANSACTION	88,825,859	84,586,502
EARLY RETIRED ASSETS	134,371,061	128,656,394
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,378,611,342	\$ 1,328,456,787
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	40,000,000	38,696,760
ACCUM DEFERRED RETIREMENT BENEFITS	(174,630)	(169,165)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(41,003,696)	(41,003,696)
ACCUM. PROV. - RATE REFUNDS	(183,217)	0
GAIN ON SALE OF EMISSION ALLOWANCE	(358)	(342)
JOBGING ACCOUNTS	(24,855,818)	(24,045,994)
POLE ATTACHMENT RENTS PAYABLE	(8,757,738)	(8,757,738)
SJRPP ACCELERATED RECOVERY	(4,952,297)	(4,741,679)
STORM DEFICIENCY RECOVERY	(37,033,158)	(37,033,158)
ASSET RETIREMENT OBLIGATION	(4,888,464,741)	(4,735,482,360)
MARGIN CALL CASH COLLATERAL	(1,213,980)	(1,174,427)
NUCLEAR COST RECOVERY	(241,630,584)	(241,630,584)
CEDAR BAY TRANSACTION	(3,712,985)	(3,555,074)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (5,211,983,203)	\$ (5,058,897,458)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,833,371,861)	\$ (3,730,440,670)

NOTES:

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
MAY, 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)	\$ (256,856,842)	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)
TOTAL PROFORMA ADJUSTMENTS	\$ (256,856,842)	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)

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
MAY, 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	\$ 55,979,597,057	16,546,601,915	39,432,995,142	499,236,377	3,424,314,384	667,671,449	44,024,217,352	(429,048,728)	\$ 43,595,168,624
JURISDICTIONAL PER BOOKS	\$ 53,722,300,546	13,548,995,436	40,173,305,111	474,986,092	3,253,721,042	632,801,704	44,534,813,948	(2,569,411,158)	\$ 41,965,402,790
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,121,555,446)	(763,431,059)	(1,358,124,386)	0	(1,315,667,934)	0	(2,673,792,321)	3,730,440,670	\$ 1,056,648,350
FPSC ADJUSTED:	\$ 51,600,745,101	12,785,564,376	38,815,180,724	474,986,092	1,938,053,108	632,801,704	41,861,021,627	1,161,029,513	\$ 43,022,051,140
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 51,600,745,101	12,785,564,376	38,815,180,724	474,986,092	1,938,053,108	632,801,704	41,861,021,627	1,161,029,513	\$ 43,022,051,140

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
MAY, 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	\$ 11,545,621,366	2,929,924,306	1,533,157,909	2,287,641,020	1,354,016,758	246,746,102	(47,162,413)	214,884,730	(3,338,604)	8,515,869,808	\$ 3,029,751,559
JURISDICTIONAL PER BOOKS	\$ 11,121,932,036	2,794,019,065	1,487,673,703	2,211,981,849	1,333,267,326	235,975,624	(48,601,395)	207,365,605	(3,338,589)	8,218,343,188	\$ 2,903,588,848
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (493,372,896)	0	0	0	(12,689,551)	(119,850,749)	0	0	0	(132,540,300)	\$ (360,832,596)
FRANCHISE EXPENSE	0	0	0	0	(480,667,818)	119,846,878	0	0	0	(360,820,940)	360,820,940
GROSS RECEIPTS TAX	(255,377,196)	0	0	0	(255,117,600)	(64,726)	0	0	0	(255,182,326)	(194,870)
FINANCIAL PLANNING SERVICES	0	0	(529,591)	0	0	132,045	0	0	0	(397,546)	397,546
INDUSTRY ASSOCIATION DUES	0	0	(2,051,330)	0	0	511,467	0	0	0	(1,539,864)	1,539,864
ECONOMIC DEVELOPMENT 5%	0	0	(203,087)	0	0	50,637	0	0	0	(152,450)	152,450
AVIATION - EXPENSES	0	0	(121,027)	0	0	30,176	0	0	0	(90,851)	90,851
EXECUTIVE COMPENSATION	0	0	(42,332,813)	0	0	10,555,014	0	0	0	(31,777,799)	31,777,799
FUEL COST REC RETAIL	(2,635,955,474)	(2,611,071,214)	(642,264)	143,735	(1,852,066)	(29,374,574)	24,148,320	0	0	(2,618,648,064)	(17,307,410)
CONSERVATION COST RECOVERY	(54,486,481)	0	(42,699,318)	(9,118,232)	(1,035,115)	(406,237)	(1,148)	0	0	(53,260,049)	(1,226,432)
CAPACITY COST RECOVERY	(265,117,432)	(163,268,698)	(30,656,342)	(13,288,625)	(334,656)	(14,069,902)	(288,729)	0	0	(221,906,952)	(43,210,480)
ENVIRONMENTAL COST RECOVERY	(175,083,920)	0	(29,234,158)	(38,961,492)	(315,253)	(24,706,442)	(1,896,726)	0	314	(95,113,756)	(79,970,164)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(917,487)	0	228,761	0	0	0	(688,726)	688,726
STORM DEFICIENCY RECOVERY	(21,924,993)	0	(121,772)	(21,631,439)	0	(42,831)	0	0	0	(21,796,042)	(128,951)
INTEREST TAX DEFICIENCIES	0	0	350,221	0	0	(87,322)	0	0	0	262,899	(262,899)
INTEREST SYNCHRONIZATION	0	0	0	0	0	7,452,987	(4,389,629)	0	0	3,063,359	(3,063,359)
TOTAL FPSC ADJUSTMENTS	\$ (3,901,318,391)	(2,774,339,912)	(148,241,480)	(83,773,539)	(752,012,060)	(49,794,819)	17,572,088	0	314	(3,790,589,408)	\$ (110,728,983)
FPSC ADJUSTED	\$ 7,220,613,645	19,679,153	1,339,432,224	2,128,208,309	581,255,266	186,180,804	(31,029,307)	207,365,605	(3,338,275)	4,427,753,780	\$ 2,792,859,865
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (256,856,842)	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,963,756,803	19,679,153	1,339,432,224	2,128,208,309	581,070,329	122,183,746	(31,029,307)	207,365,605	(3,338,275)	4,363,571,784	\$ 2,600,185,018

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

\$ 74,511,866
\$ 71,769,689

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
MAY, 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)	\$ (256,856,842)	0	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)
TOTAL PROFORMA ADJUSTMENTS	\$ (256,856,842)	0	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)

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
MAY, 2020

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,508,396,233	\$ 1,440,333,370
FUEL AND CAPACITY	170,602,901	163,158,747
CAPITALIZED EXECUTIVE COMPENSATION	41,405,844	40,110,066
LOAD CONTROL	39,168,025	39,168,025
ASSET RETIREMENT OBLIGATION	350,827,564	339,848,568
CAPITAL LEASES	102,132,873	98,936,670
TOTAL	<u>\$ 2,212,533,440</u>	<u>\$ 2,121,555,446</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (377,206,693)	\$ (360,186,121)
ACCUM PROV DECOMMISSIONING COSTS	(4,614,696,276)	(4,418,186,173)
ASSET RETIREMENT OBLIGATION	(30,297,241)	(29,349,102)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,281,094,587	4,147,119,591
FUEL AND CAPACITY	(47,059,796)	(44,869,851)
OTHER RATE CASE ADJUSTMENTS (1)	(917,487)	(917,487)
LOAD CONTROL	(19,598,494)	(19,598,494)
CAPITAL LEASES	(38,653,053)	(37,443,422)
TOTAL	<u>\$ (847,334,453)</u>	<u>\$ (763,431,059)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,318,771,402	\$ 1,227,229,856
CWIP - CLAUSE PROJECTS	92,510,835	88,438,078
TOTAL	<u>\$ 1,411,282,237</u>	<u>\$ 1,315,667,934</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)	\$ (3,833,371,861)	\$ (3,730,440,670)
TOTAL ADJUSTMENTS	<u>\$ (1,056,890,636)</u>	<u>\$ (1,056,648,350)</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
MAY, 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	\$ 11,545,621,366	2,929,924,306	1,533,157,909	2,287,641,020	1,354,016,758	246,746,102	(47,162,413)	214,884,730	(3,338,604)	8,515,869,808	\$ 3,029,751,559
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (493,372,896)	0	0	0	(12,689,551)	(121,336,886)	0	0	0	(134,026,436)	\$ (359,346,460)
FRANCHISE EXPENSE	0	0	0	0	(480,667,818)	121,332,972	0	0	0	(359,334,847)	359,334,847
GROSS RECEIPTS TAX	(255,377,196)	0	0	0	(255,117,600)	(65,594)	0	0	0	(255,183,195)	(194,002)
FINANCIAL PLANNING SERVICES	0	0	(546,699)	0	0	137,948	0	0	0	(408,752)	408,752
INDUSTRY ASSOCIATION DUES	0	0	(2,117,600)	0	0	534,313	0	0	0	(1,583,287)	1,583,287
ECONOMIC DEVELOPMENT 5%	0	0	(209,648)	0	0	52,898	0	0	0	(156,749)	156,749
AVIATION - EXPENSES	0	0	(124,937)	0	0	31,553	0	0	0	(93,383)	93,383
EXECUTIVE COMPENSATION	0	0	(43,700,398)	0	0	11,016,749	0	0	0	(32,683,650)	32,683,650
FUEL COST REC RETAIL	(2,757,620,717)	(2,738,627,320)	(674,813)	151,019	(1,853,508)	(29,540,127)	24,659,913	0	0	(2,745,884,837)	(11,735,880)
CONSERVATION COST RECOVERY	(54,486,481)	0	(42,699,318)	(9,118,232)	(1,035,115)	(410,992)	(1,148)	0	0	(53,264,803)	(1,221,677)
CAPACITY COST RECOVERY	(265,495,370)	(170,520,840)	(32,018,049)	(13,878,885)	(341,315)	(12,049,486)	(288,729)	0	0	(229,097,303)	(36,398,067)
ENVIRONMENTAL COST RECOVERY	(175,083,920)	0	(30,615,616)	(40,802,615)	(324,194)	(24,209,634)	(1,896,726)	0	329	(97,848,455)	(77,235,465)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(917,487)	0	228,761	0	0	0	(688,726)	688,726
STORM DEFICIENCY RECOVERY	(21,924,993)	0	(121,772)	(21,631,439)	0	(43,097)	0	0	0	(21,796,308)	(128,685)
INTEREST TAX DEFICIENCIES	0	0	361,535	0	0	(91,135)	0	0	0	270,400	(270,400)
INTEREST SYNCHRONIZATION	0	0	0	0	0	7,721,999	(4,531,438)	0	0	3,190,561	(3,190,561)
TOTAL FPSC ADJUSTMENTS	\$ (4,023,361,573)	(2,909,148,160)	(152,467,314)	(86,197,638)	(752,029,101)	(46,689,759)	17,941,872	0	329	(3,928,589,770)	\$ (94,771,803)
FPSC ADJUSTED	\$ 7,522,259,793	20,776,147	1,380,690,595	2,201,443,382	601,987,657	200,056,343	(29,220,541)	214,884,730	(3,338,275)	4,587,280,038	\$ 2,934,979,756
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3B OF 3)	\$ (256,856,842)	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,265,402,951	20,776,147	1,380,690,595	2,201,443,382	601,802,720	136,059,285	(29,220,541)	214,884,730	(3,338,275)	4,523,098,042	\$ 2,742,304,909

(A) THE ADDITION OF EARNINGS FROM AFUDC
WOULD INCREASE THE SYSTEM NOI BY \$ 74,511,866

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
MAY, 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)	\$ (256,856,842)	0	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)
TOTAL PROFORMA ADJUSTMENTS	\$ (256,856,842)	0	0	0	0	(184,937)	(63,997,058)	0	0	0	(64,181,995)	\$ (192,674,847)

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
MAY, 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	\$ 12,695,466,137			\$ 12,212,040,729	\$ 399,834,024	\$ (72,782,088)	\$ 12,539,092,665	30.64%	4.17%
SHORT TERM DEBT	465,825,030	448,069,112	14,758,173	(0)	462,827,285	1.13%	3.16%	0.04%	3.16%	0.04%	3.16%	0.04%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	19,173,578,366	18,442,736,395	607,453,365	(0)	19,050,189,760	46.55%	9.60%	4.47%	10.55%	4.91%	11.60%	5.40%
CUSTOMER DEPOSITS	407,185,731	406,891,356	13,401,890	-	420,293,246	1.03%	2.12%	0.02%	2.12%	0.02%	2.12%	0.02%
DEFERRED INCOME TAX (1)	8,229,722,520	7,914,488,903	255,719,285	(150,661,022)	8,019,547,167	19.60%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	559,753,862	537,517,951	13,665,229	(122,631,420)	428,551,760	1.05%	7.45%	0.08%	8.02%	0.08%	8.65%	0.09%
TOTAL	\$ 41,531,531,646	\$ 39,961,744,447	\$ 1,304,831,967	\$ (346,074,530)	\$ 40,920,501,883	100.00%		5.88%		6.33%		6.83%

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	\$ 12,933,915,457			\$ 12,446,968,413	\$ 415,073,063	\$ (68,867,005)	\$ 12,793,174,472	29.74%	4.24%
SHORT TERM DEBT	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	21,288,782,468	20,486,530,676	686,971,835	(0)	21,173,502,511	49.22%	9.60%	4.72%	10.55%	5.19%	11.60%	5.71%
CUSTOMER DEPOSITS	409,045,410	408,692,499	13,704,626	0	422,397,125	0.98%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX (1)	8,267,489,521	7,954,386,300	261,681,178	(150,661,022)	8,065,406,455	18.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	695,935,769	668,824,902	18,414,762	(119,669,087)	567,570,576	1.32%	7.55%	0.10%	8.17%	0.11%	8.80%	0.12%
TOTAL	\$ 43,595,168,624	\$ 41,965,402,790	\$ 1,395,845,463	\$ (339,197,113)	\$ 43,022,051,140	100.00%		6.11%		6.58%		7.11%

NOTE:

(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$2,904 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
MAY, 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	\$ 12,539,092,665	\$ -	\$ 12,539,092,665	30.64%	4.17%	1.28%	4.17%	1.28%	4.17%	1.28%
SHORT TERM DEBT	462,827,285	-	462,827,285	1.13%	3.16%	0.04%	3.16%	0.04%	3.16%	0.04%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	19,050,189,760	-	19,050,189,760	46.55%	9.60%	4.47%	10.55%	4.91%	11.60%	5.40%
CUSTOMER DEPOSITS	420,293,246	-	420,293,246	1.03%	2.12%	0.02%	2.12%	0.02%	2.12%	0.02%
DEFERRED INCOME TAX	8,019,547,167	-	8,019,547,167	19.60%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	428,551,760	-	428,551,760	1.05%	7.45%	0.08%	8.02%	0.08%	8.65%	0.09%
TOTAL	\$ 40,920,501,883	\$ -	\$ 40,920,501,883	100.00%		5.88%		6.33%		6.83%

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	\$ 12,793,174,472	\$ -	\$ 12,793,174,472	29.74%	4.24%	1.26%	4.24%	1.26%	4.24%	1.26%
SHORT TERM DEBT	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	21,173,502,511	-	21,173,502,511	49.22%	9.60%	4.72%	10.55%	5.19%	11.60%	5.71%
CUSTOMER DEPOSITS	422,397,125	-	422,397,125	0.98%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX	8,065,406,455	-	8,065,406,455	18.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	567,570,576	-	567,570,576	1.32%	7.55%	0.10%	8.17%	0.11%	8.80%	0.12%
TOTAL	\$ 43,022,051,140	\$ -	\$ 43,022,051,140	100.00%		6.11%		6.58%		7.11%

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	\$ 3,035,742,008
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	17,879,026
INCOME TAXES	403,492,669
TOTAL	\$ 3,457,113,703
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 621,346,048
TIMES INTEREST EARNED WITH AFUDC	5.56

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 3,035,742,008
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(56,632,840)
INCOME TAXES	403,492,669
TOTAL	\$ 3,382,601,837
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$ 621,346,048
TIMES INTEREST EARNED WITHOUT AFUDC	5.44

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 17,879,026
X (1 - INCOME_TAX_RATE)	0.7507
SUBTOTAL	\$ 13,421,175
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	56,632,840
TOTAL	\$ 70,054,015
NET INCOME AVAILABLE FOR COMMON	\$ 2,432,274,985
AFUDC AS PERCENT OF NET INCOME	2.88%

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 249,923,147
GAINS ON DISPOSITION OF PROPERTY	(3,338,604)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	0
TOTAL	\$ 246,584,543

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 2,432,274,985
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(2,200,000,000)
AFUDC (DEBT & OTHER)	(74,511,866)
DEPRECIATION AND AMORTIZATION EXPENSE	2,287,641,020
DEFERRED INCOME TAXES	(53,876,550)
INVESTMENT TAX CREDITS	214,884,730
OTHER SOURCE/USES OF FUNDS	246,584,543
INTERNALLY GENERATED FUNDS	\$ 2,852,996,862

CONSTRUCTION EXPENDITURES \$ 5,502,833,738

PERCENT INTERNALLY GENERATED FUNDS 51.85%

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	\$ 12,539,092,665
JURIS ADJUSTED SHORT TERM DEBT	462,827,285
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	19,050,189,760
TOTAL	\$ 32,052,109,710
LTD TO TOTAL INVESTOR FUNDS	39.12%
STD TO TOTAL INVESTOR FUNDS	1.44%

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.82%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	1.28%
SHORT TERM DEBT	0.04%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	0.08%
SUBTOTAL	1.42%
TOTAL	5.40%
DIVIDED BY COMMON EQUITY RATIO	46.55%
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 6.35%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT 1.28%

SHORT TERM DEBT 0.04%

PREFERRED STOCK 0.00%

CUSTOMER DEPOSITS 0.02%

TAX CREDITS - WTD COST 0.08%

SUBTOTAL 1.42%

PRO FORMA ROR LESS NON EQUITY COST 4.93%

PRO FORMA COMMON EQUITY RATIO 46.55%

PRO FORMA RETURN ON COMMON EQUITY 10.59%

	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)	
March, 2020	\$ 11,911,325	
April, 2020	\$ 5,861,698	
May, 2020	\$ (5,982,714)	
Total Amortization from 1/1/2020 - 12/31/2020	\$ (148,267,000)	
Reduction in Total Reserve Amount Available Under Current Settlement Agreement	\$ (5,000,000)	PSC-2019-0319-S-EI
Remaining Reserve Amount - 5/31/2020	<u>\$744,346,441</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.