



August 14, 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 June 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 June 30, 2020 is \$734,850,730.

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
JUNE, 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	\$ 3,005,684,547 (A)	(182,570,915) (B)	2,823,113,632	(189,190,586)	\$ 2,633,923,046
RATE BASE	\$ 40,256,085,603	972,570,727	41,228,656,330	0	\$ 41,228,656,330
AVERAGE RATE OF RETURN	7.47%		6.85%		6.39%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 3,005,684,547 (A)	(179,885,421) (B)	2,825,799,126	(189,190,586)	\$ 2,636,608,540
RATE BASE	\$ 42,363,586,524	1,083,637,371	43,447,223,895	0	\$ 43,447,223,895
YEAR END RATE OF RETURN	7.09%		6.50%		6.07%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

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

LOW	5.90%
MIDPOINT	6.36%
HIGH	6.85%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	5.85	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	5.73	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	2.85%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	75.00%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	39.00%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	1.27%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	11.80%	(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. 775.092, S. 775.083, OR S. 775.084.

KEITH FERGUSON
(VICE PRESIDENT ACCOUNTING AND CONTROLLER)

Keith Ferguson

(SIGNATURE)
8/14/2020

(DATE)
on behalf of Keith Ferguson

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
RATE BASE
JUNE, 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	\$ 54,207,493,154	16,193,358,767	38,014,134,387	472,924,032	3,178,942,988	629,502,533	42,295,503,940	(456,759,108)	\$ 41,838,744,832
JURISDICTIONAL PER BOOKS	\$ 52,018,415,464	13,260,867,341	38,757,548,123	450,008,934	3,023,105,876	596,626,193	42,827,289,126	(2,571,203,523)	\$ 40,256,085,603
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,147,354,138)	(763,427,400)	(1,383,926,738)	0	(1,403,375,921)	0	(2,787,302,659)	3,759,873,386	\$ 972,570,727
FPSC ADJUSTED:	\$ 49,871,061,326	12,497,439,941	37,373,621,386	450,008,934	1,619,729,954	596,626,193	40,039,986,467	1,188,669,863	\$ 41,228,656,330
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 49,871,061,326	12,497,439,941	37,373,621,386	450,008,934	1,619,729,954	596,626,193	40,039,986,467	1,188,669,863	\$ 41,228,656,330

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
JUNE, 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	\$ 11,493,007,507	2,878,261,088	1,551,009,631	2,103,436,240	1,353,350,159	263,774,626	71,710,090	214,248,598	(2,913,088)	8,432,877,345	\$ 3,060,130,163
JURISDICTIONAL PER BOOKS	\$ 11,067,941,588	2,745,855,142	1,505,932,559	2,027,447,681	1,332,425,392	252,475,530	66,140,031	206,751,732	(2,913,074)	8,134,114,995	\$ 2,933,826,592
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (489,626,409)	0	0	0	(12,593,191)	(118,613,413)	0	0	0	(131,206,604)	\$ (358,419,805)
FRANCHISE EXPENSE	0	0	0	0	(477,017,662)	118,609,545	0	0	0	(358,408,117)	358,408,117
GROSS RECEIPTS TAX	(253,666,443)	0	0	0	(253,413,444)	(62,908)	0	0	0	(253,476,352)	(190,092)
FINANCIAL PLANNING SERVICES	0	0	(532,370)	0	0	132,373	0	0	0	(399,997)	399,997
INDUSTRY ASSOCIATION DUES	0	0	(2,044,881)	0	0	508,456	0	0	0	(1,536,426)	1,536,426
ECONOMIC DEVELOPMENT 5%	0	0	(213,726)	0	0	53,143	0	0	0	(160,584)	160,584
AVIATION - EXPENSES	0	0	(113,505)	0	0	28,223	0	0	0	(85,282)	85,282
EXECUTIVE COMPENSATION	0	0	(42,477,317)	0	0	10,561,905	0	0	0	(31,915,412)	31,915,412
FUEL COST REC RETAIL	(2,588,521,858)	(2,564,350,541)	(273,110)	143,778	(1,818,539)	(30,312,935)	25,265,805	0	0	(2,571,345,543)	(17,176,315)
CONSERVATION COST RECOVERY	(54,362,677)	0	(42,728,512)	(8,949,105)	(1,035,686)	(408,853)	(1,286)	0	0	(53,123,440)	(1,239,237)
CAPACITY COST RECOVERY	(264,909,023)	(163,076,769)	(31,069,568)	(13,404,814)	(335,705)	(13,180,268)	(1,017,463)	0	0	(222,084,587)	(42,824,437)
ENVIRONMENTAL COST RECOVERY	(175,019,146)	0	(28,569,903)	(39,193,807)	(315,886)	(24,556,097)	(2,073,581)	0	300	(94,708,975)	(80,310,171)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(1,433,535)	0	356,446	0	0	0	(1,077,089)	1,077,089
STORM DEFICIENCY RECOVERY	(9,814,352)	0	(73,453)	(11,166,760)	0	354,538	0	0	0	(10,885,676)	1,071,324
INTEREST TAX DEFICIENCIES	0	0	352,864	0	0	(87,739)	0	0	0	265,125	(265,125)
INTEREST SYNCHRONIZATION	0	0	0	0	0	9,136,506	(4,194,496)	0	0	4,942,010	(4,942,010)
TOTAL FPSC ADJUSTMENTS	\$ (3,835,919,908)	(2,727,427,310)	(147,743,481)	(74,004,243)	(746,530,112)	(47,481,080)	17,978,978	0	300	(3,725,206,948)	\$ (110,712,960)
FPSC ADJUSTED	\$ 7,232,021,679	18,427,832	1,358,189,078	1,953,443,438	585,895,280	204,994,451	84,119,009	206,751,732	(2,912,774)	4,408,908,047	\$ 2,823,113,632
PRO FORMA ADJUSTMENTS											
(SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (251,981,669)	0	0	0	(181,427)	(62,609,656)	0	0	0	(62,791,083)	\$ (189,190,586)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,980,040,010	18,427,832	1,358,189,078	1,953,443,438	585,713,853	142,384,795	84,119,009	206,751,732	(2,912,774)	4,346,116,964	\$ 2,633,923,046
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY	\$ 74,603,504										
	\$ 71,857,955										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 4,412,616										
ON A JURISDICTIONAL BASIS	\$ 4,274,525										
CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	\$ 1,055,524,592	253,714,144	119,216,714	159,757,727	119,773,421	76,058,094	(4,410,974)	(1,924,306)	(69,450)	722,115,370	\$ 333,409,222
JURISDICTIONAL PER BOOKS	\$ 1,014,889,156	242,548,329	115,327,181	153,205,411	117,921,706	72,749,269	(4,328,818)	(1,856,972)	(69,448)	695,496,658	\$ 319,392,498

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
JUNE, 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)	\$ (251,981,669)	0	0	0	(181,427)	(62,609,656)	0	0	0	(62,791,083)	\$ (189,190,586)
TOTAL PROFORMA ADJUSTMENTS	<u>\$ (251,981,669)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(181,427)</u>	<u>(62,609,656)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(62,791,083)</u>	<u>\$ (189,190,586)</u>

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
JUNE, 2020

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,493,182,568	\$ 1,425,670,782
FUEL AND CAPACITY	171,326,865	163,861,282
CAPITALIZED EXECUTIVE COMPENSATION	38,002,750	36,813,471
LOAD CONTROL	44,711,284	44,711,284
ASSET RETIREMENT OBLIGATION	390,654,104	378,428,753
CAPITAL LEASES	101,030,265	97,868,566
TOTAL	<u>\$ 2,238,907,835</u>	<u>\$ 2,147,354,138</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (357,337,866)	\$ (341,181,424)
ACCUM PROV DECOMMISSIONING COSTS	(4,897,371,273)	(4,688,823,868)
ASSET RETIREMENT OBLIGATION	(32,564,387)	(31,545,299)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,544,544,017	4,402,324,485
FUEL AND CAPACITY	(49,197,306)	(46,925,838)
OTHER RATE CASE ADJUSTMENTS (1)	(110,272)	(110,272)
LOAD CONTROL	(24,133,343)	(24,133,343)
CAPITAL LEASES	(34,098,953)	(33,031,841)
TOTAL	<u>\$ (850,269,383)</u>	<u>\$ (763,427,400)</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,411,543,705	\$ 1,319,576,296
CWIP - CLAUSE PROJECTS	87,607,130	83,799,625
TOTAL	<u>\$ 1,499,150,834</u>	<u>\$ 1,403,375,921</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)	\$ (3,863,839,796)	\$ (3,759,873,386)
TOTAL ADJUSTMENTS	\$ (976,050,510)	\$ (972,570,727)

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
JUNE, 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	\$ 11,493,007,507	2,878,261,088	1,551,009,631	2,103,436,240	1,353,350,159	263,774,626	71,710,090	214,248,598	(2,913,088)	8,432,877,345	\$ 3,060,130,163
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (489,626,409)	0	0	0	(12,593,191)	(120,211,257)	0	0	0	(132,804,448)	\$ (356,821,961)
FRANCHISE EXPENSE	0	0	0	0	(477,017,662)	120,207,336	0	0	0	(356,810,326)	356,810,326
GROSS RECEIPTS TAX	(253,666,443)	0	0	0	(253,413,444)	(63,836)	0	0	0	(253,477,280)	(189,163)
FINANCIAL PLANNING SERVICES	0	0	(549,568)	0	0	138,480	0	0	0	(411,088)	411,088
INDUSTRY ASSOCIATION DUES	0	0	(2,110,942)	0	0	532,408	0	0	0	(1,578,535)	1,578,535
ECONOMIC DEVELOPMENT 5%	0	0	(220,631)	0	0	55,587	0	0	0	(165,044)	165,044
AVIATION - EXPENSES	0	0	(117,172)	0	0	29,586	0	0	0	(87,587)	87,587
EXECUTIVE COMPENSATION	0	0	(43,849,570)	0	0	11,039,385	0	0	0	(32,810,185)	32,810,185
ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0	0	0
FUEL COST RECOVERY	(2,707,600,219)	(2,688,478,949)	(286,864)	151,019	(1,819,986)	(30,453,634)	25,531,051	0	0	(2,695,357,364)	(12,242,855)
CONSERVATION COST RECOVERY	(54,362,677)	0	(42,728,512)	(8,949,105)	(1,035,686)	(414,108)	(1,286)	0	0	(53,128,695)	(1,233,982)
CAPACITY COST RECOVERY	(265,283,099)	(170,320,419)	(32,449,636)	(14,000,238)	(342,413)	(11,160,489)	(1,017,463)	0	0	(229,290,660)	(35,992,440)
ENVIRONMENTAL COST RECOVERY	(175,019,146)	0	(29,922,814)	(41,049,806)	(324,877)	(24,083,574)	(2,073,581)	0	314	(97,454,339)	(77,564,807)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(1,433,535)	0	356,446	0	0	0	(1,077,089)	1,077,089
STORM DEFICIENCY RECOVERY	(9,814,352)	0	(73,453)	(11,166,760)	0	361,839	0	0	0	(10,878,375)	1,064,023
INTEREST TAX DEFICIENCIES	0	0	364,263	0	0	(91,695)	0	0	0	272,568	(272,568)
INTEREST SYNCHRONIZATION	0	0	0	0	0	9,385,471	(4,330,002)	0	0	5,055,469	(5,055,469)
TOTAL FPSC ADJUSTMENTS	\$ (3,955,372,346)	(2,858,799,368)	(151,944,900)	(76,448,425)	(746,547,259)	(44,372,057)	18,108,718	0	314	(3,860,002,977)	\$ (95,369,368)
FPSC ADJUSTED	\$ 7,537,635,162	19,461,720	1,399,064,732	2,026,987,815	606,802,900	219,402,569	89,818,808	214,248,598	(2,912,774)	4,572,874,367	\$ 2,964,760,794
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3C OF 3)	\$ (251,981,669)	0	0	0	(181,427)	(62,609,656)	0	0	0	(62,791,083)	\$ (189,190,586)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,285,653,493	19,461,720	1,399,064,732	2,026,987,815	606,621,473	156,792,913	89,818,808	214,248,598	(2,912,774)	4,510,083,285	\$ 2,775,570,208
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 74,603,504										

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
JUNE, 2020

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	36,442,084	35,254,770
INTEREST & DIVIDENDS RECEIVABLE	498,622	482,377
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC	59,309,621	60,448,530
CASH CAPITAL SUB ACCOUNT	0	0
POLE ATTACHMENTS RENTS RECEIVABLE	19,223,232	19,223,232
PREPAYMENTS - ECCR	43,169,172	43,169,172
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	6,921,229	6,666,515
TEMPORARY CASH INVESTMENTS	179,160,126	173,322,935
STORM DEFICIENCY RECOVERY	(567,034)	(567,034)
NUCLEAR COST RECOVERY	0	0
JOBGING ACCOUNTS	24,952,505	24,139,531
OTH REG ASSETS - CLAUSES	6,774,705	6,449,869
MISC. DEFFERED DEBIT - CLAUSES	4,912,161	4,676,631
CEDAR BAY TRANSACTION	453,950,820	434,644,496
ICL TRANSACTION	301,000,000	288,198,605
SJRPP TRANSACTION	86,860,641	82,688,850
EARLY RETIRED ASSETS	134,371,061	128,656,260
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 1,356,978,946	\$ 1,307,454,738
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCOUNTS PAYABLE - ASSOC COS	46,153,846	44,650,108
ACCUM DEFERRED RETIREMENT BENEFITS	(159,490)	(154,499)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(41,673,765)	(41,673,765)
ACCUM. PROV. - RATE REFUNDS	(367,060)	0
GAIN ON SALE OF EMISSION ALLOWANCE	(335)	(320)
JOBGING ACCOUNTS	(24,645,455)	(23,842,484)
POLE ATTACHMENT RENTS PAYABLE	(9,312,210)	(9,312,210)
SJRPP ACCELERATED RECOVERY	(4,736,980)	(4,535,518)
STORM DEFICIENCY RECOVERY	(37,033,158)	(37,033,158)
ASSET RETIREMENT OBLIGATION	(4,902,633,734)	(4,749,207,940)
MARGIN CALL CASH COLLATERAL	(1,127,700)	(1,090,959)
NUCLEAR COST RECOVERY	(241,630,584)	(241,630,584)
CEDAR BAY TRANSACTION	(3,652,117)	(3,496,794)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (5,220,818,742)	\$ (5,067,328,124)
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ (3,863,839,796)	\$ (3,759,873,386)

NOTES:

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
AVERAGE RATE OF RETURN
INCOME STATEMENT
DETAIL OF PRO FORMA ADJUSTMENTS
JUNE, 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)	\$ (251,981,669)	0	0	0	(181,427)	(62,609,656)	0	0	0	(62,791,083)	\$ (189,190,586)
TOTAL PROFORMA ADJUSTMENTS	\$ (251,981,669)	0	0	0	(181,427)	(62,609,656)	0	0	0	(62,791,083)	\$ (189,190,586)

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
JUNE, 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	\$ 56,275,977,825	16,692,439,070	39,583,538,756	466,439,153	3,725,711,235	655,120,672	44,430,809,816	(456,759,108)	\$ 43,974,050,708
JURISDICTIONAL PER BOOKS	\$ 54,006,260,194	13,676,488,250	40,329,771,944	444,326,491	3,539,785,210	620,906,402	44,934,790,047	(2,571,203,523)	\$ 42,363,586,524
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (2,155,681,856)	(793,966,578)	(1,361,715,278)	0	(1,314,520,737)	0	(2,676,236,014)	3,759,873,386	\$ 1,083,637,371
FPSC ADJUSTED:	\$ 51,850,578,338	12,882,521,672	38,968,056,666	444,326,491	2,225,264,474	620,906,402	42,258,554,033	1,188,669,863	\$ 43,447,223,895
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 51,850,578,338	12,882,521,672	38,968,056,666	444,326,491	2,225,264,474	620,906,402	42,258,554,033	1,188,669,863	\$ 43,447,223,895

FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES
YEAR END RATE OF RETURN
INCOME STATEMENT
JUNE, 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	\$ 11,493,007,507	2,878,261,088	1,551,009,631	2,103,436,240	1,353,350,159	263,774,626	71,710,090	214,248,598	(2,913,088)	8,432,877,345	\$ 3,060,130,163
JURISDICTIONAL PER BOOKS	\$ 11,067,941,588	2,745,855,142	1,505,932,559	2,027,447,681	1,332,425,392	252,475,530	66,140,031	206,751,732	(2,913,074)	8,134,114,995	\$ 2,933,826,592
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (489,626,409)	0	0	0	(12,593,191)	(118,613,413)	0	0	0	(131,206,604)	\$ (358,419,805)
FRANCHISE EXPENSE	0	0	0	0	(477,017,662)	118,609,545	0	0	0	(358,408,117)	358,408,117
GROSS RECEIPTS TAX	(253,666,443)	0	0	0	(253,413,444)	(62,908)	0	0	0	(253,476,352)	(190,092)
FINANCIAL PLANNING SERVICES	0	0	(532,370)	0	0	132,373	0	0	0	(399,997)	399,997
INDUSTRY ASSOCIATION DUES	0	0	(2,044,881)	0	0	508,456	0	0	0	(1,536,426)	1,536,426
ECONOMIC DEVELOPMENT 5%	0	0	(213,726)	0	0	53,143	0	0	0	(160,584)	160,584
AVIATION - EXPENSES	0	0	(113,505)	0	0	28,223	0	0	0	(85,282)	85,282
EXECUTIVE COMPENSATION	0	0	(42,477,317)	0	0	10,561,905	0	0	0	(31,915,412)	31,915,412
FUEL COST REC RETAIL	(2,588,521,858)	(2,564,350,541)	(273,110)	143,778	(1,818,539)	(30,312,935)	25,265,805	0	0	(2,571,345,543)	(17,176,315)
CONSERVATION COST RECOVERY	(54,362,677)	0	(42,728,512)	(8,949,105)	(1,035,686)	(408,853)	(1,286)	0	0	(53,123,440)	(1,239,237)
CAPACITY COST RECOVERY	(264,909,023)	(163,076,769)	(31,069,568)	(13,404,814)	(335,705)	(13,180,268)	(1,017,463)	0	0	(222,084,587)	(42,824,437)
ENVIRONMENTAL COST RECOVERY	(175,019,146)	0	(28,569,903)	(39,193,807)	(315,886)	(24,556,097)	(2,073,581)	0	300	(94,708,975)	(80,310,171)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(1,433,535)	0	356,446	0	0	0	(1,077,089)	1,077,089
STORM DEFICIENCY RECOVERY	(9,814,352)	0	(73,453)	(11,166,760)	0	354,538	0	0	0	(10,885,676)	1,071,324
INTEREST TAX DEFICIENCIES	0	0	352,864	0	0	(87,739)	0	0	0	265,125	(265,125)
INTEREST SYNCHRONIZATION	0	0	0	0	0	6,451,012	(4,194,496)	0	0	2,256,516	(2,256,516)
TOTAL FPSC ADJUSTMENTS	\$ (3,835,919,908)	(2,727,427,310)	(147,743,481)	(74,004,243)	(746,530,112)	(50,166,574)	17,978,978	0	300	(3,727,892,442)	\$ (108,027,466)
FPSC ADJUSTED	\$ 7,232,021,679	18,427,832	1,358,189,078	1,953,443,438	585,895,280	202,308,957	84,119,009	206,751,732	(2,912,774)	4,406,222,553	\$ 2,825,799,126
PRO FORMA ADJUSTMENTS (SEE SCHEDULE 2, PAGE 2A OF 3)	\$ (251,981,669)	0	0	0	(181,427)	(62,609,656)	0	0	0	(62,791,083)	\$ (189,190,586)
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 6,980,040,010	18,427,832	1,358,189,078	1,953,443,438	585,713,853	139,699,301	84,119,009	206,751,732	(2,912,774)	4,343,431,470	\$ 2,636,608,540

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

\$ 74,603,504
\$ 71,857,955

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
JUNE, 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)	\$ (251,981,669)	0	0	0	0	(181,427)	(62,609,656)	0	0	0	(62,791,083)	\$ (189,190,586)
TOTAL PROFORMA ADJUSTMENTS	\$ (251,981,669)	0	0	0	0	(181,427)	(62,609,656)	0	0	0	(62,791,083)	\$ (189,190,586)

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
JUNE, 2020

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,543,404,653	\$ 1,473,622,159
FUEL AND CAPACITY	170,620,834	163,185,343
CAPITALIZED EXECUTIVE COMPENSATION	42,212,986	40,891,949
LOAD CONTROL	39,218,775	39,218,775
ASSET RETIREMENT OBLIGATION	350,827,564	339,848,568
CAPITAL LEASES	102,110,568	98,915,062
TOTAL	\$ 2,248,395,381	\$ 2,155,681,856
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (381,433,146)	\$ (364,187,275)
ACCUM PROV DECOMMISSIONING COSTS	(5,041,451,276)	(4,826,768,435)
ASSET RETIREMENT OBLIGATION	(31,182,809)	(30,206,956)
ASSET RETIREMENT OBLIGATION DECOMMISSIONING	4,678,757,663	4,532,337,973
FUEL AND CAPACITY	(47,583,162)	(45,380,408)
OTHER RATE CASE ADJUSTMENTS (1)	(1,433,535)	(1,433,535)
LOAD CONTROL	(20,155,099)	(20,155,099)
CAPITAL LEASES	(39,406,038)	(38,172,843)
TOTAL	\$ (883,887,402)	\$ (793,966,578)
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,349,752,588	\$ 1,255,838,844
CWIP - CLAUSE PROJECTS	61,338,956	58,681,892
TOTAL	\$ 1,411,091,544	\$ 1,314,520,737
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)	\$ (3,863,839,796)	\$ (3,759,873,386)
TOTAL ADJUSTMENTS	\$ (1,088,240,273)	\$ (1,083,637,371)

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
JUNE, 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	\$ 11,493,007,507	2,878,261,088	1,551,009,631	2,103,436,240	1,353,350,159	263,774,626	71,710,090	214,248,598	(2,913,088)	8,432,877,345	\$ 3,060,130,163
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (489,626,409)	0	0	0	(12,593,191)	(120,211,257)	0	0	0	(132,804,448)	\$ (356,821,961)
FRANCHISE EXPENSE	0	0	0	0	(477,017,662)	120,207,336	0	0	0	(356,810,326)	356,810,326
GROSS RECEIPTS TAX	(253,666,443)	0	0	0	(253,413,444)	(63,836)	0	0	0	(253,477,280)	(189,163)
FINANCIAL PLANNING SERVICES	0	0	(549,568)	0	0	138,480	0	0	0	(411,088)	411,088
INDUSTRY ASSOCIATION DUES	0	0	(2,110,942)	0	0	532,408	0	0	0	(1,578,535)	1,578,535
ECONOMIC DEVELOPMENT 5%	0	0	(220,631)	0	0	55,587	0	0	0	(165,044)	165,044
AVIATION - EXPENSES	0	0	(117,172)	0	0	29,586	0	0	0	(87,587)	87,587
EXECUTIVE COMPENSATION	0	0	(43,849,570)	0	0	11,039,385	0	0	0	(32,810,185)	32,810,185
FUEL COST REC RETAIL	(2,707,600,219)	(2,688,478,949)	(286,864)	151,019	(1,819,986)	(30,453,634)	25,531,051	0	0	(2,695,357,364)	(12,242,855)
CONSERVATION COST RECOVERY	(54,362,677)	0	(42,728,512)	(8,949,105)	(1,035,686)	(414,108)	(1,286)	0	0	(53,128,695)	(1,233,982)
CAPACITY COST RECOVERY	(265,283,099)	(170,320,419)	(32,449,636)	(14,000,238)	(342,413)	(11,160,489)	(1,017,463)	0	0	(229,290,660)	(35,992,440)
ENVIRONMENTAL COST RECOVERY	(175,019,146)	0	(29,922,814)	(41,049,806)	(324,877)	(24,083,574)	(2,073,581)	0	314	(97,454,339)	(77,564,807)
OTHER RATE CASE ADJUSTMENTS (1)	0	0	0	(1,433,535)	0	356,446	0	0	0	(1,077,089)	1,077,089
STORM DEFICIENCY RECOVERY	(9,814,352)	0	(73,453)	(11,166,760)	0	361,839	0	0	0	(10,878,375)	1,064,023
INTEREST TAX DEFICIENCIES	0	0	364,263	0	0	(91,695)	0	0	0	272,568	(272,568)
INTEREST SYNCHRONIZATION	0	0	0	0	0	6,782,428	(4,330,002)	0	0	2,452,426	(2,452,426)
TOTAL FPSC ADJUSTMENTS	\$ (3,955,372,346)	(2,858,799,368)	(151,944,900)	(76,448,425)	(746,547,259)	(46,975,100)	18,108,718	0	314	(3,862,606,020)	\$ (92,766,325)
FPSC ADJUSTED	\$ 7,537,635,162	19,461,720	1,399,064,732	2,026,987,815	606,802,900	216,799,526	89,818,808	214,248,598	(2,912,774)	4,570,271,324	\$ 2,967,363,837
PRO FORMA ADJUSTMENTS	\$ (251,981,669)	0	0	0	(181,427)	(62,609,656)	0	0	0	(62,791,083)	\$ (189,190,586)
(SEE SCHEDULE 3, PAGE 3B OF 3)											
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 7,285,653,493	19,461,720	1,399,064,732	2,026,987,815	606,621,473	154,189,870	89,818,808	214,248,598	(2,912,774)	4,507,480,242	\$ 2,778,173,251

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

\$ 74,603,504

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
JUNE, 2020

SCHEDULE 3: PAGE 3B OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE		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)
		NET INTERCHANGE	OTHER								
WEATHER NORMALIZATION ADJUSTMENT (1)	\$ (251,981,669)	0	0	0	(181,427)	(62,609,656)	0	0	0	(62,791,083)	\$ (189,190,586)
TOTAL PROFORMA ADJUSTMENTS	\$ (251,981,669)	0	0	0	(181,427)	(62,609,656)	0	0	0	(62,791,083)	\$ (189,190,586)

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
JUNE, 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	\$ 12,770,879,139			\$ 12,284,199,263	\$ 401,886,053	\$ (71,328,713)	\$ 12,614,756,603	30.60%	4.16%
SHORT TERM DEBT	412,337,439	396,608,962	13,051,118	0	409,660,080	0.99%	3.15%	0.03%	3.15%	0.03%	3.15%	0.03%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	19,445,883,810	18,704,126,946	615,492,297	(0)	19,319,619,243	46.86%	9.60%	4.50%	10.55%	4.94%	11.60%	5.44%
CUSTOMER DEPOSITS	407,847,039	407,537,610	13,410,744	0	420,948,354	1.02%	2.12%	0.02%	2.12%	0.02%	2.12%	0.02%
DEFERRED INCOME TAX (1)	8,227,675,821	7,912,295,066	255,515,802	(147,453,783)	8,020,357,085	19.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	574,121,584	551,317,755	14,123,309	(122,126,099)	443,314,965	1.08%	7.45%	0.08%	8.03%	0.09%	8.66%	0.09%
TOTAL	\$ 41,838,744,832	\$ 40,256,085,603	\$ 1,313,479,322	\$ (340,908,595)	\$ 41,228,656,330	100.00%		5.90%		6.36%		6.85%

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	\$ 12,944,616,009			\$ 12,467,265,290	\$ 418,201,850	\$ (67,234,207)	\$ 12,818,232,933	29.50%	4.24%
SHORT TERM DEBT	80,195,198	77,235,716	2,604,842	-	79,840,558	0.18%	3.35%	0.01%	3.35%	0.01%	3.35%	0.01%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	21,570,986,154	20,774,941,719	700,653,007	-	21,475,594,726	49.43%	9.60%	4.75%	10.55%	5.21%	11.60%	5.73%
CUSTOMER DEPOSITS	407,450,419	407,144,010	13,731,286	-	420,875,296	0.97%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX (1)	8,275,121,458	7,968,020,104	263,755,412	(147,453,783)	8,084,321,733	18.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (2)	695,681,471	668,979,685	18,543,011	(119,164,047)	568,358,649	1.31%	7.57%	0.10%	8.19%	0.11%	8.82%	0.12%
TOTAL	\$ 43,974,050,708	\$ 42,363,586,524	\$ 1,417,489,409	\$ (333,852,037)	\$ 43,447,223,895	100.00%		6.12%		6.60%		7.13%

NOTE:

(1) SYSTEM PER BOOKS INCLUDES APPROXIMATELY \$2,884 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
JUNE, 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	\$ 12,614,756,603	\$ -	\$ 12,614,756,603	30.60%	4.16%	1.27%	4.16%	1.27%	4.16%	1.27%
SHORT TERM DEBT	409,660,080	-	409,660,080	0.99%	3.15%	0.03%	3.15%	0.03%	3.15%	0.03%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	19,319,619,243	-	19,319,619,243	46.86%	9.60%	4.50%	10.55%	4.94%	11.60%	5.44%
CUSTOMER DEPOSITS	420,948,354	-	420,948,354	1.02%	2.12%	0.02%	2.12%	0.02%	2.12%	0.02%
DEFERRED INCOME TAX	8,020,357,085	-	8,020,357,085	19.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	443,314,965	-	443,314,965	1.08%	7.45%	0.08%	8.03%	0.09%	8.66%	0.09%
TOTAL	\$ 41,228,656,330	\$ -	\$ 41,228,656,330	100.00%		5.90%		6.36%		6.85%

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	\$ 12,818,232,933	\$ -	\$ 12,818,232,933	29.50%	4.24%	1.25%	4.24%	1.25%	4.24%	1.25%
SHORT TERM DEBT	79,840,558	-	79,840,558	0.18%	3.35%	0.01%	3.35%	0.01%	3.35%	0.01%
PREFERRED STOCK	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	21,475,594,726	-	21,475,594,726	49.43%	9.60%	4.75%	10.55%	5.21%	11.60%	5.73%
CUSTOMER DEPOSITS	420,875,296	-	420,875,296	0.97%	2.19%	0.02%	2.19%	0.02%	2.19%	0.02%
DEFERRED INCOME TAX	8,084,321,733	-	8,084,321,733	18.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	568,358,649	-	568,358,649	1.31%	7.57%	0.10%	8.19%	0.11%	8.82%	0.12%
TOTAL	\$ 43,447,223,895	\$ -	\$ 43,447,223,895	100.00%		6.12%		6.60%		7.13%

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	\$ 3,073,681,757
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	17,084,243
INCOME TAXES	<u>537,665,332</u>
TOTAL	<u>\$ 3,628,431,333</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 620,594,076</u>
TIMES INTEREST EARNED WITH AFUDC	<u>5.85</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$ 3,073,681,757
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	(57,519,261)
INCOME TAXES	<u>537,665,332</u>
TOTAL	<u>\$ 3,553,827,829</u>
INTEREST CHARGES EXCLUDING DEBT AFUDC	<u>\$ 620,594,076</u>
TIMES INTEREST EARNED WITHOUT AFUDC	<u>5.73</u>

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$ 17,084,243
X (1 - INCOME_TAX_RATE)	<u>0.7514</u>
SUBTOTAL	<u>\$ 12,836,278</u>
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	<u>57,519,261</u>
TOTAL	<u>\$ 70,355,539</u>
NET INCOME AVAILABLE FOR COMMON	<u>\$ 2,470,171,925</u>
AFUDC AS PERCENT OF NET INCOME	<u>2.85%</u>

FOOTNOTES

CLAUSE OVER/UNDER RECOVERY	\$ 260,990,960
GAINS ON DISPOSITION OF PROPERTY	(2,913,088)
LONG TERM DEBT RETIREMENTS & REDEMPTIONS	0
INCREASE/DECREASE IN DECOMMISSIONING FUNDS	<u>0</u>
	<u>\$ 258,077,872</u>

** INCLUDES EXPENDITURES FOR NUCLEAR FUELS OF: 0

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$ 2,470,171,925
PREFERRED DIVIDENDS DECLARED	0
COMMON DIVIDENDS	(800,000,000)
AFUDC (DEBT & OTHER)	(74,603,504)
DEPRECIATION AND AMORTIZATION EXPENSE	2,103,436,240
DEFERRED INCOME TAXES	65,631,091
INVESTMENT TAX CREDITS	214,248,598
OTHER SOURCE/USES OF FUNDS	<u>258,077,872</u>
INTERNALLY GENERATED FUNDS	<u>\$ 4,236,962,221</u>

CONSTRUCTION EXPENDITURES \$ 5,649,644,095

PERCENT INTERNALLY GENERATED FUNDS 75.00%

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	\$ 12,614,756,603
JURIS ADJUSTED SHORT TERM DEBT	409,660,080
JURIS ADJUSTED PREFERRED STOCK	0
JURIS ADJUSTED COMMON STOCK	<u>19,319,619,243</u>
TOTAL	<u>\$ 32,344,035,926</u>
LTD TO TOTAL INVESTOR FUNDS	<u>39.00%</u>
STD TO TOTAL INVESTOR FUNDS	<u>1.27%</u>

G. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

FPSC RATE OF RETURN	6.85%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	1.27%
SHORT TERM DEBT	0.03%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WTD COST	<u>0.09%</u>
SUBTOTAL	<u>1.41%</u>
TOTAL	<u>5.44%</u>
DIVIDED BY COMMON EQUITY RATIO	<u>46.86%</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 6.39%

LESS: AVERAGE RETAIL WEIGHTED COST RATES FOR:

LONG TERM DEBT 1.27%

SHORT TERM DEBT 0.03%

PREFERRED STOCK 0.00%

CUSTOMER DEPOSITS 0.02%

TAX CREDITS - WTD COST 0.09%

SUBTOTAL 1.41%

PRO FORMA ROR LESS NON EQUITY COST 4.98%

PRO FORMA COMMON EQUITY RATIO 46.86%

PRO FORMA RETURN ON COMMON EQUITY 10.62%

	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)	
June, 2020	\$ (9,495,711)	
Total Amortization from 1/1/2020 - 12/31/2020	\$ (157,762,711)	
Reduction in Total Reserve Amount Available Under Current Settlement Agreement	\$ (5,000,000)	PSC-2019-0319-S-EI
Remaining Reserve Amount - 6/30/2020	<u>\$734,850,730</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.